

Kuwaitis Are Asking Where the Money Went

By Youssef M. Ibrahim

CAIRO — A multifaceted financial scandal is unfolding in Kuwait with assertions that more than \$5 billion was unlawfully taken from public funds during the Gulf War by businessmen and officials who include members of the ruling Sabah family. The apparently huge misappropriation of funds, under investigation now by the Kuwaiti parliament and public prosecutors, has affected the creditworthiness of the world's largest oil exporters. Among other things, the London-based Kuwait Investment Office that managed an investment portfolio of \$100 billion has been reduced to a shadow of its former self; nearly 80 percent of its huge Fund for Future Generations has been used up to pay for bad investments and Gulf War expenses. Scandal hovers over a major corporation, Kuwait Oil Tankers Co., a public company under the oil ministry. Senior officials of its previous administration are under investigation for allegedly taking at least \$70 million during the Gulf crisis. Government ministers assert that there has been massive theft from Kuwaiti investments in Spain.

The Paris-based Kuwaiti French Bank has also been shut down as millions of francs were discovered missing. The upshot of the financial troubles is that Kuwait is forced this year to borrow from international banks for the first time in three decades, arranging between \$5 billion and \$10 billion in loans. The move, widely viewed as humiliating in a country still traumatized by the Iraqi invasion of 1990, triggered the investigations that are under way. Even though Kuwaiti parliamentarians and government officials interviewed in the past few days — as well as some newspaper accounts — assert that the scandal is huge, details of what really happened are just emerging. The bulk of the money is missing from the Kuwait Investment Office, which until two years ago managed its huge portfolio. See SCANDAL, Page 12



Relatives carrying a family member who was wounded on Monday by a Serbian mortar that struck a Sarajevo cemetery during a funeral for a victim of fighting.

Clinton Finds Out Capital's Lobbyists Are Forever

By Michael Weisskopf

WASHINGTON — When Bill Clinton was running for president and decried the stranglehold of "entrenched power and money" in Washington, he was referring to people like a superlobbyist named Howard Paster. Now Mr. Paster is working on the transition team of President-elect Bill Clinton, waiting to be appointed, along with other lobbyists, to a post in government. If those "influence peddlers," as Mr. Clinton called them, seem out of place in his administration-in-waiting, they affirm an axiom of presidential politics: Easy to attack in campaigns,

lobbyists are hard to ignore when it comes to effective government. Whether the lobbyists in the Clinton team represent a campaign contradiction or the inevitable rise of Washington veterans provokes debate. Are they too knowledgeable to exclude from government? Or are they too tainted to include? The answer from Little Rock is reflected in Mr. Clinton's initial personnel decisions. He has named partners of major law-lobbying firms to top jobs — Ronald H. Brown as commerce secretary, Samuel R. Berger as deputy national security adviser and Mickey Kantor as U.S. trade representative — and sprinkled his transition team with corporate representatives, from Vernon E. Jordan Jr. to lesser-known lawyers who are drafting policy options and inventorying government departments. Mr. Clinton seemed to go out of his way in his first post-election news conference to soften past criticism of lobbying, calling it "part of people's First Amendment rights." "It's not that lobbyists are bad, it's the structure of power in Washington that prevents things from getting done," said Michael Waldman, a transition spokesman. "The issue is making the government work for the broad majority. The people you have in there are the implementers. Politicians come and go in Washington, but lobbyists stay forever. Courtiers of Congress, they study power — who holds it

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Turmoil in Taiwan Politics Puts a Lid on Stock Market

By Laurence Zuckerman

TAIPEI — The big slide in Taiwan stocks may be nearing a bottom, brokers and analysts said Monday, but the prospect of months of political uncertainty will prevent a significant recovery. Prices have been tumbling on the stock exchange following a surprisingly strong showing by the opposition party in parliamentary elections earlier this month. That result, plus signs of a split in the ruling Kuomintang, has aroused fears of an era of confrontation and uncertainty in Taiwan politics. "The election has taken all sides by surprise, and nobody knows where the dust is going to settle," said Myrick Hatch, managing director of Barclays de Zoete Wedd's Taipei office. On Monday, the market index fell 128.33 points, or 3.7 percent, to close at 3,327.67. It

was the lowest level in 23 months, and meant the index has lost more than 9 percent of its value since voters went to the polls on Dec. 19. The extent of the sell-off is one of the strongest reasons for predicting a bottoming of prices in coming days, many analysts said. "At these prices, a lot of stocks begin to get very attractive," Mr. Hatch said. "This is a very good time to buy," said Michael Chen of Fidelity Investments Taiwan. He was referring to blue-chip stocks, some of which are priced at just 10 to 12 times their earnings per share. There are predictions some of these companies will have earnings growth of 20 percent to 25 percent next year, making the price-earnings ratio attractive for buyers. Still, Mr. Chen said, with political questions hanging over the market, the index was likely to

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In Mogadishu: Peace Rally, and Gunfire

By Keith Richburg

MOGADISHU, Somalia — Thousands of jubilant Somalis turned out Monday to cheer the capital's two major warlords as they embraced across the "green line" that has divided this devastated city into two warring sides. Also on hand were scores of vandals and gunmen who turned the ceremony into a frenzy of looting and shooting, mostly directed against foreign journalists who came to cover the event. In the day's most dramatic incident, U.S.

troops shot and killed a Somali gunman and chased another through a shantytown after the Somalis stole a camera belonging to a

Warlord killed 100 as U.S. landed, Page 4.

television news crew and then sprayed a U.S. military position with machine-gun fire. One member of the television crew, from Visnews, was slightly wounded by bullet fragments during the exchange between the robbers and the U.S. Marines. No American servicemen were wounded.

In separate incidents, a gunman fired on a pickup truck carrying a Los Angeles Times reporter to the rally, and a Washington Post photographer was in a truck that was rammed by another vehicle and then fired upon on a side street not far from the rally. None of the journalists was injured. The rally, the first public appearance together of the capital's two long-feuding warlords, was supposed to mark the dismantling of the demarcation line dividing the city and signal a new era of peace and reconciliation

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Mohammed Farrah Aidid, left, and Mohammed Ali Mahdi embracing Monday in Mogadishu at a celebration of their peace accord.

Kiosk

Israel Says 10 Deportees Can Return

JERUSALEM (Combined Dispatches) — The Israeli Army said Tuesday that 10 of the 415 Palestinians deported to Lebanon on Dec. 17 could return. The army said in a statement that the decision to deport the 10 Palestinians had been found to be incorrect and that they could return. But, it added, they will have to face trial in Israel. Meanwhile, Yasser Arafat, chairman of the Palestine Liberation Organization, will meet Wednesday in Geneva with the UN secretary-general, Boutros Boutros Ghali, the UN said Monday. (Reuters, AP) Related article, Page 2.

Dow Jones	Trib Index	General News	Business/Finance
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Allies Ready To Use Force Against Serbs In Bosnia

Shift by France Allows West a Tougher Line on Enforcing Flight Ban

By Joseph Fitchett

PARIS — Western nations have started a countdown toward military intervention in Bosnia, U.S. and European officials said Monday, as France moved closer to the Bush administration's tougher stance on curbing Serbian defiance of the United Nations. With U.S. officials publicly complaining about European governments' passivity in tackling a crisis on their own doorstep, the French government has now agreed that it may be necessary to destroy not only offending aircraft but Serbian airfields as well to obtain compliance with the UN ban on flights over Bosnia. In an attempt to bring home to Belgrade the seriousness of Western intentions, both Presi-

Vulnerable? British troops disagree, Page 2.

dent George Bush and the United Nations secretary-general, Boutros Boutros Ghali, have warned Yugoslav leaders that international action is imminent against continuing Serbian expansionism. For immediate action, the centerpiece for military moves is the air exclusion zone, approved in October by the UN Security Council but so far not backed up militarily. It will get teeth from a new resolution on enforcement expected this week. In negotiations ahead of the resolution, France has agreed that the escalation may include attacks on airfields or other ground installations. Foreign Minister Roland Dumas said.

France pledged earlier this month to participate in international action against Serbian planes and helicopters in Bosnia, but Mr. Dumas's public commitment came as calls within France for urgent action became more pressing. In seeking agreement on a battle plan in Bosnia, the French government wants to announce Western readiness for air strikes against Serbian airfields but keep it as a threat to be implemented only if Serbian forces retaliate against UN peacekeeping forces for the interdiction of flights over Bosnia. Although the UN units, which include 2,500 French troops, appear to be a match for Serbian irregulars, they could be at serious risk if Belgrade carried out the threat already made by Yugoslav commanders to order into action its well-equipped regular forces.

The threat of escalation by air strikes against Serbian targets, a French official said Monday, is "the only hope we have of deterring retaliatory attacks on our troops which, unlike American forces, are there on the ground." Some U.S. officials have suggested that any Western military intervention should open with knock-out blows against some Serbian installations, but the French official said that Paris expected to win support for what he called "our graduated approach." The more hawkish U.S. position, several officials said, was partly designed to intimidate Serbian leaders, who are scheduled to take part in a critical round of peace talks in Geneva this weekend. Spelling out the bluntest U.S. warning yet to Belgrade, Mr. Bush — in a message to Yugoslav leaders last week, according to a New York Times report — said that the United States was prepared to use force if Serbian aircraft continued violating the no-flight ban in Bosnia and also to retaliate against any Serbian attack on UN forces or relief convoys. The U.S. message was addressed orally and

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U.S. Beefs Up Forces in Gulf To Monitor Iraq

By Michael R. Gordon

WASHINGTON — The United States moved to beef up its fighter force near Iraq on Monday, taking the unusual step of sending two squadrons of navy warplanes to Saudi Arabia from an aircraft carrier off the coast of Africa. The deployment of the navy planes followed the shooting down Sunday of an Iraqi plane by a U.S. F-16 over southern Iraq. The Iraqi Air Force was flying patrols Monday, but Iraqi planes steered clear of the air exclusion zones in southern and northern Iraq, according to U.S. officials.

Before the downing, there had been a gradual reduction of U.S. forces in the Gulf, which may have emboldened the Iraqis to test the allied determination to enforce the flight ban in southern Iraq. An aircraft carrier was shifted from the Gulf to the waters of the coast of Somalia and some U.S. Air Force planes were also withdrawn. As a result, American warplanes were not patrolling the air exclusion zone south of the 32d parallel at all times, and some Iraqi incursions into the zone may have taken place when U.S. planes were not in the vicinity, according to classified intercepts of electronic communications. But since the downing of the Iraqi plane, the American forces have been beefed up and all allied planes are once again patrolling the exclusion zone 24 hours a day. According to Pentagon officials, a squadron of F-18 navy jets and a squadron of F-14 navy fighters landed Monday in Dhahran, Saudi Arabia. The southern exclusion zone was declared in August by the United States, Britain and

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Let's Go Bowling! Clearly, a Patently Inventive Wish List for 1993

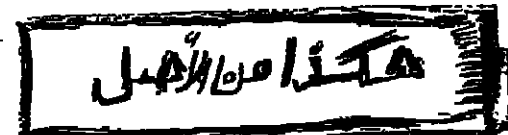
WASHINGTON — Many patents are no doubt very useful to someone somewhere in the world, but they do not exactly top the average wish list. How many consumers, for instance, have asked, "Why can they put a man on the moon, but they can't come up with a Highly Sensitive Magnetic-Field-Detecting Squid with dual squid and another newly patented invention, an anti-rail system for a missile launcher, are unlikely to become mass-market items. But for those starting early on next year's holiday gifts, some of the following inventions may warrant watching: • Donald O. Ashurst of Gardnerville, Neva-

da, has come up with the Apparatus for Improving Bowling Ball Control. A small, slip-on thumb sheath, made of a rubber-based compound, helps keep the ball from slipping out of control. The top of the sheath is covered with a slick material that gives the ball a good release, according to the inventor. "When you bowl, your thumb changes," explained Mr. Ashurst. "It swells, which makes the ball stick, or it tends to shrink, which makes you drop the ball. If you bowl quite a bit, this is a variable you just do not want to have to deal with." While he searches for a company willing to market his apparatus, Mr. Ashurst is working to perfect finger sheaths — to match the one

for the thumb — while letting his friends give him the invention a whirl. "The side benefit is the protection this thing offers," he said. "Guys who really crank the ball get really bloody sometimes." • Dr. Raymond O. West of Belfair, Washington, has invented something almost everyone longs for sooner or later: a stethoscope warmer. It is a little pouch. It contains two pockets, one for the stethoscope and one for a chemical heat reactor that activates once it is punctured, and stays hot for 12 hours. The health-care worker simply slides the stethoscope into the device, which can be worn on a belt or attached to the tubing of the stetho-

scope itself. Once the stethoscope is warmed up, the medical worker can begin the examination. • Another new invention also deals with heat: Ernest B. Kettelson and Henry R. Narcisi have come up with a way to cook pasta in about 60 seconds. Imagine coming home from a long day at work, throwing some pasta in a pan on your way to the closet, and having it cooked before you get your shoes off. Such instant noodles are not likely to be available in home kitchens any time soon; the device has been designed primarily for commercial kitchens, although it may eventually be scaled down for home use. Its inventors hope

to sell the commercial version for \$6,000 to \$10,000. • Andrew B. Mallon of New York has designed an interest-paying piggy bank, which could please parents as much as their kids. The piggy bank has two chambers in its interior, one that collects quarters and another that holds nickels. Once a quarter is deposited, it triggers the nickel chamber, which then pushes a nickel out of the mouth of the pig, as a dividend for the depositor. "The idea was really to teach children the value of saving money," said Mr. Mallon. He would like to market his piggy bank for less than \$10.



WORLD BRIEFS

Afraid and Defenseless? British Troops in Bosnia Disagree

By Peter Maass
Washington Post Service

VITEZ, Bosnia-Herzegovina — During a recent patrol outside the Bosnian city of Tuzla, a convoy of British Army fighting vehicles was ambushed by Serbs who opened fire with everything they had — mortars, rocket-propelled grenades and assault weapons.

The Serbs never had a chance. The British vehicles have special armor plates that deflect incoming shells, and are equipped with 30mm cannons and special guns that fire smoke canisters. The rockets ricocheted off the British armor, leaving, at worst, small burn marks on the white paint.

Instead of firing back, the British just kept plowing ahead and did not stop until they reached the local Serb command headquarters.

"We got out and shook their hands," said a British military spokesman. "The Serbs couldn't believe it. They were amazed."

That engagement, in which Serb pride was the only casualty, was the best demonstration yet that the United Nations troops who are most exposed to danger in Bosnia are not as vulnerable as Western leaders proclaim.

Fears for the safety of UN troops on the ground have made it difficult to build a consensus in the UN to enforce a ban on Serbian flights over Bosnia or otherwise intervene militarily.

The British soldiers who are delivering relief supplies near the front line here are a bit amused by the hand-wringing.

Veterans of the Gulf War and Northern Ireland's sectarian combat, they do not understand what



A British trooper, high-powered weapons near at hand, working on a Warrior fighting vehicle Monday in snow-blanketed Vitez.

all the fuss is about, and they especially do not like politicians portraying them as frightened and defenseless.

"We don't feel so vulnerable," said the spokesman. "We could give a nasty headache if we wanted."

Prime Minister John Major of Britain has emerged as a key opponent of intervention in Bosnia, arguing that his 2,400 troops there

might suffer severe casualties from the Serbs, whose mild pique would probably become full-blown antagonism if the UN sides with the Bosnians.

From the start of the war in Bosnia, and long before British soldiers began escorting relief convoys, the British government opposed military intervention.

In Vitez, which is the key forward base for British troops, there

is little sign of concern among the soldiers. The situation here seems to support the view of Bosnian officials and Western diplomats who say the focus on vulnerability is simply an excuse to put off intervention.

"There's this myth that the day you shoot down a Serb jet these 10-foot-tall man-eating Serbs will slaughter all the innocents," said a Western diplomat in Zagreb.

He noted that the ragtag Serb conquerors of undefended cities, have shown little discipline or courage.

"The West is looking for excuses to not intervene," said Ben Spahic, mayor of Zenica, a Bosnian city 25 kilometers (15 miles) from Vitez. "The Serbs are wise. With their threats, they try to keep the West from intervening."

Advocates of intervention propose air strikes against military targets in Serb-held territory and in Serbia itself. All that the UN troops on the ground would have to do, the argument goes, is hunker down and curtail their relief operations.

Bosnian officials have said that they would gladly swap the relief operation for intervention.

The main threat to British forces would come from heavy artillery fire, according to the military spokesman.

The frontline is about 15 kilometers from the forward base in Vitez, well within range of the Serbs' 155mm howitzers. An accurate shot could cause severe casualties.

But British officers say that in a hostile situation, the Serbs would have to be on target with their first shot because their guns would likely be taken out before second or third salvos could be fired.

The British Army, like the U.S. Army, is equipped with advanced radar and thermal-sensing equipment that can quickly locate smoking guns.

Serb artillery could be taken out in several ways, military officers say. The easiest method would be air strikes.

Also, the British are believed to have special forces soldiers in Bosnia who could infiltrate behind Serb lines.

Although the British do not now have howitzers in place with which to fire back, weapons of that sort could speedily be shipped to Vitez.

Beirut Bars Access To the Deportees

Go Through Israel, UN Envoy Is Told

Compiled by Our Staff From Dispatches

MARJ AZ ZOHOOR, Lebanon

The Lebanese government barred a United Nations envoy from passing through its territory Monday to visit 415 Palestinian deportees camped between Israeli and Lebanese military checkpoints in southern Lebanon.

The government said that the envoy, James O.C. Jonah, who is due in Beirut from Israel on Tuesday, could only reach the 415 Palestinians through Israeli lines.

In a meeting earlier with Mr. Jonah in East Jerusalem, Palestinian leaders urged him to push for the immediate repatriation of the Palestinians, who were deported by Israel on Dec. 17.

In their makeshift camp, the deportees fought against the worst cold that had gripped the region since they were deported.

"It's a total stalemate," said Bernard Pfeiffer, chief delegate in Lebanon of the International Committee of the Red Cross. "They won't survive the winter out there like this."

In Beirut, Health Minister Marwan Hamadi turned down a Red

Cross request to take relief supplies to the deportees via Lebanese territory.

"Whoever committed the crime must assume the responsibility," he said, referring to the deportations by Israel. "We refuse to be Israel's accomplices."

Israel has refused to allow aid shipments through. On Monday, Israeli troops blocked Israeli Arab leaders from driving a convoy of food and medicine into Lebanon to aid the deportees.

The police blocked their path at the Rosh Hanikra crossing. The Arabs, including at least one member of the Israeli parliament, turned back.

Lebanon, saying it refuses to become a "dumping ground" for Israel, has refused to accept the deportees, so they have been stranded between a forward checkpoint of the Lebanese Army and Israel's self-declared "security zone" in southern Lebanon.

Hanan Ashrawi, spokeswoman for the Palestinian delegation to the Middle East peace talks, said after meeting with Mr. Jonah that the fate of the deportees had become "an issue of immediate human urgency and concern" because of the "tragic circumstances under which they are living."

The deportees, she said, "should not be made pawns in a political game."

Mrs. Ashrawi said the Palestinians demanded that the deportees be returned immediately, in line with the UN Security Council resolution condemning the expulsion.

Mr. Jonah conferred Sunday with Prime Minister Yitzhak Rabin and Foreign Minister Shimon Peres.

In another development, the Israeli Army said Monday that it was reviewing its files in light of news reports that at least seven of the Palestinians had been deported in error.

An army review showed that the seven, among them a 16-year-old detained for spraying political slogans, were expelled contrary to the orders of regional commanders, Israeli radio and the newspapers said. The number could be as high as 10, according to the radio report.

It quoted officials as saying the mistakes apparently resulted from poor coordination, mistaken identity and negligence. The army hastily rounded up those slated for deportation and put them on buses headed for Lebanon. (Reuters, AP)



Israeli policemen at the Rosh Hanikra gate into Lebanon barring passage to a group of Israeli Arabs carrying supplies for the deportees.

Russians to Sell Plutonium 238 To Washington

The Associated Press

MOSCOW — Russia will sell up to 44 kilograms of plutonium 238 to the United States, the ITR-Tass press agency said Monday. It said contract negotiations between the Department of Energy and Russia's Department of Nuclear Engineering will begin soon.

According to the report, the United States has agreed to put the radioactive isotope to "peaceful purposes" in space research.

The sale was approved last week by Prime Minister Viktor Chernomyrdin, a spokesman said here. Mr. Chernomyrdin's decree says the sale is "in the interests of expanding cooperation in the area of using radioisotope sources of electricity for peaceful space research."

Plutonium 238 has a number of uses. It can be used to power spacecraft instruments or heart pacemakers and, if bombarded with neutrons, turned into weapons-grade plutonium 239.

Technical Issues Stall START-2 Accord

By Elaine Sciolino
New York Times Service

GENEVA — The United States and Russia on Monday failed to complete a far-reaching nuclear arms reduction agreement, but the two sides were to meet again and Foreign Minister Andrei V. Kozirev offered to bet a bottle of whiskey on a positive outcome.

Speaking Monday night, Secretary of State Lawrence S. Eagleburger said stiffly that both sides were "making progress" on the START-2 accord. When asked whether he expected to bridge the differences on stubborn technical issues before he leaves Geneva on Tuesday, Mr. Eagleburger replied, "We will work as hard as we can."

Mr. Eagleburger was noticeably less optimistic Monday than he was on Sunday, when he called technical issues "no longer relevant," and said that there was "a better than a 50-50 chance" that the two countries would reach agreement Monday on the arms pact, which would slash the arsenals of American and Russian long-range nuclear warheads to about one-third of current levels.

He added that he could not believe that it would "take more than 24 hours to get it settled if we are going to get it settled at all."

But morning sessions with Mr. Kozirev and the defense minister, General Pavel S. Grachev, and a meeting of technical experts later in the day failed to bridge the differences on any of the outstanding technical issues, a senior administration official said.

Mr. Eagleburger declined to comment on the remaining problems, saying, "We're not going to say anything more until after we've got this thing finished."

But the senior administration official said that the outstanding obstacles involved both technical issues as well as political decisions. "As you get to resolving everything especially in treaty language it becomes very difficult to do," the official said. "The devil is still in some of those details."

Mr. Kozirev was more upbeat than Mr. Eagleburger. When asked whether he expected an agreement, he said: "I am ready to bet a bottle of whiskey. We will do each work here to make it possible for our presidents to have the

right decision after the negotiations here."

If agreement is reached, President George Bush and President Boris N. Yeltsin will hold a summit meeting in the Black Sea resort of Sochi in early January. If not, the agreement's fate will be left to the Clinton administration.

Last June, at a meeting in Washington, Mr. Bush and Mr. Yeltsin agreed in principle to the START-2 accord, which would sharply reduce the arsenals of nuclear missiles on both sides and eliminate all multiple-warhead missiles based on land, the core of the former Soviet Union's nuclear arsenal. But the financially strapped Russians complicated matters by making three new demands.

First, Russia wants to keep rather than destroy the storage silos for SS-18 missiles and modify them for the storage of other missiles.

Second, Russia wants to be allowed to remove warheads from its remaining SS-19 multiple-warhead missiles by removing five of the six warheads, instead of developing a costly new single-warhead missile.

Third, there is disagreement on how to count nuclear missiles on American bombers.

Advertisement for Cactus Records featuring vinyl records and promotional text. The text includes "For investment information, read every Saturday in the HT." and "Cactus Records Paris 68, rue de Fontenay 75008 Paris 45.62.01.77". It also mentions "Cactus Records Madrid Caballero de Gracia, 10 28013 MADRID 532.19.76" and "A HAPPY NEW YEAR and congratulations to them on their 1st anniversary. You can bring in the New Year at either one with LIVE MUSIC and CHAMPAGNE".

In U.S., a Crisis Over Radioactive Waste

By Robert Reinhold
New York Times Service

LOS ANGELES — Thousands of hospitals, pharmaceutical makers and electric utilities across the United States face grave new troubles in the new year, when it will become much more difficult and costly to dispose of their low-level radioactive waste.

The problems arise from a 12-year-old U.S. law that was intended to make the disposal of such waste more equitable to the states with dump sites. But political conflict and public opposition have frustrated attempts to carry out the law.

Under the law, the three states that have been accepting and burying radioactive waste can, starting Jan. 1, exclude any waste generated outside their own region. Nevada will shut its dump at Beatty completely, and Washington state's site at Hanford will accept waste from only six other northwestern states and Hawaii.

That will leave only one dump open for the rest of the country, in Barnwell, South Carolina, where the authorities, enjoying a monopoly in an unwanted trade, will impose an "access" fee of \$220 a cubic foot for waste from states outside the southeast region.

That, plus transportation costs, will increase the disposal costs as much as fivefold for waste generators in California, New York and other states.

Even so, the South Carolina dump is to shut to outsiders within 18 months and close altogether by 1996.

After that, given public opposition to new dumps, it remains unclear where the nation will be able to store the thousands of cubic feet of low-level radioactive waste, which includes equipment from nuclear power plants, contaminated clothing, radioactive "tags" that are used to track the flow of drugs in the body and radioactive cancer treatments.

The deepening crisis reflects the partial collapse of the interstate "compact" system Congress envisioned when it passed the Low-Level Radioactive Waste Policy Act of 1980. It encouraged states to join with neighboring states in building dumps so that each region shared the burden equally. Nine such compacts were formed.

But years of political gridlock and determined local opposition blocked the creation of any new dump sites. New York state never joined a compact and must now rely entirely on South Carolina.

Because they have failed to comply with the U.S. law, Michigan, Rhode Island, New Hampshire, Puerto Rico and the District of

Columbia are barred from shipping to South Carolina and have no outlet.

Michigan was expelled from the Midwest compact last year because it refused to permit creation of a dump site within its borders. As a result, the Veterans Administration Hospital in Ann Arbor, among others, refuses patients needing radioactive diagnoses or treatment, sending them out of state.

California, which produces nearly 9 percent of the nation's low-level radioactive waste, has been planning for years — in compact with Arizona and the Dakotas — to put a dump in Ward Valley, in the Mojave Desert near Needles, close to the Arizona border. But the project is tied up in complex legal and political issues.

The increasing problems with disposal have had some benefits: Production of low-level waste dropped to 1.4 million cubic feet in 1992 from 2.7 million cubic feet in 1985.

Scientists are turning to methods that do not involve radiation. Companies and hospitals have become more efficient in using radioactivity and now often clean gloves and other equipment for reuse so that it does not have to be discarded.

U.S. Holds Ex-Serviceman as a Spy

WASHINGTON (AP) — A former U.S. Air Force serviceman has been charged with espionage for allegedly passing classified CIA information to Philippine government officials, the FBI said Monday.

Joseph Garfield Brown, 44, was arrested Sunday at Dulles International Airport outside Washington as he arrived on a flight from Japan, the officials said.

According to an affidavit unsealed Monday at Mr. Brown's court appearance in Alexandria, Virginia, he admitted passing at least one classified document to a Philippine official. He was being held pending a bail hearing Wednesday. He allegedly received the classified information from Virginia Jean Baynes, a CIA employee at the U.S. Embassy in Manila. She is serving a 41-month prison sentence.

German Minister Is Pressed to Quit

BONN (Reuters) — Economics Minister Jürgen Möllemann came under renewed political pressure Monday with the second allegation in a week that he had used his position to influence matters outside his jurisdiction.

A spokesman confirmed reports that Mr. Möllemann had written to local authorities near his hometown of Münster asking them to reverse a decision against permitting a faith healer to practice. The letter, written in October, seemed likely to fuel calls for his resignation that came last week over suggestions that Mr. Möllemann had used his influence to help a company run by a cousin.

Members of the governing coalition as well as the opposition have asked Mr. Möllemann to step down. The Social Democrats on Monday announced a special session of parliament's economic affairs committee on Jan. 4 to question him. Mr. Möllemann, a Free Democrat, has rejected resignation calls.

France Gets China Broadside on Jets

BEIJING (AP) — China, through the Xinhua press agency, issued a blistering condemnation Monday of France's reported plan to sell 60 warplanes to Taiwan, indicating that Beijing's wrath may not be spent.

Last week, China ordered France to close its consulate in Guangzhou, removed France from competition for a subway contract and threatened to halt Chinese-French cooperation on a nuclear power plant.

On Monday, the Xinhua commentary seemed to hint that more retaliation was in store. France's decision to sell the planes, it said, "will force it to eat the bitter fruit." It added: "The French side has claimed that its decision is merely of an economic nature and has nothing to do with French-Chinese political ties. This is specious reasoning. The deal will threaten the balance of power across the Taiwan Straits."

Brazil Court Rejects Delay for Collor

BRASILIA (AP) — The Supreme Court chief justice rejected Monday an appeal to delay the impeachment trial of the suspended president, Fernando Collor de Mello, allowing the trial to begin Tuesday.

The justice, Sydney Sanchez, will preside over Mr. Collor's impeachment trial in the Senate. The president's lawyers had asked for an additional 30 days to prepare his defense against charges of misconduct, for which he was impeached Sept. 29. Mr. Collor, Brazil's first freely elected president in three decades, was suspended for 180 days pending his trial in the Senate.

Mr. Collor, who is accused of profiting from a multimillion-dollar shush fund run by his former campaign treasurer, was elected on a clean-government, free-enterprise platform. Vice President Lamartine Franco, who took over as acting leader when Mr. Collor was suspended, would serve the remaining two years of Mr. Collor's five-year term if he is removed.

Khmer Rouge Bars UN Checkpoints

BANGKOK (Reuters) — Khieu Samphan, leader of the Khmer Rouge, said Monday that his guerrillas would not allow UN peacekeepers to set up checkpoints in parts of Cambodia under their control when sanctions against the Khmer Rouge begin Friday.

Mr. Khieu Samphan, speaking to reporters after a meeting in Bangkok with Thai Foreign Minister Prasong Soonsiri, implicitly threatened any peacekeepers who tried to enter its zones.

The UN Security Council voted in November to impose sanctions on log exports to Thailand from Khmer Rouge zones and oil imports because of the faction's refusal to honor the Paris peace accord signed in October 1991 to end 13 years of civil war. The Khmer Rouge, alone of the four warring factions, has refused to disarm or allow troops of the UN Transitional Authority in Cambodia free access.

Russians Report Nuclear Plant Leak

MOSCOW (Reuters) — Radioactive water has leaked into a reservoir from a nuclear power plant near Yekaterinburg in the Ural Mountains, but there is no danger to the population, ITR-Tass said Monday.

"The situation around the station does not pose any danger to the people and the environment," Tass quoted managers of the power station as saying.

It said radiation levels at the reservoir had risen slightly. The accident was being investigated. Tass said the leak was at Category 1, the lowest level on a seven-point scale of nuclear accidents drawn up by the International Atomic Energy Agency. The 1986 Chernobyl accident was Category 7.

20 Hurt in Lima Embassy Bombings

LIMA (Reuters) — Communist guerrillas exploded car bombs near the Japanese and Chinese embassies here Monday, wounding about 20, police sources and witnesses said.

It was the second bomb to explode near the Chinese mission in three days. Guerrillas also damaged the Costa Rican and Austrian embassies on Saturday with a car bomb. Flags bearing the symbol of the Communist Party of Peru, also known as Shining Path, were hung in poor sections of Lima.

Japan has provided strong backing to the government of President Alberto Fujimori of Peru, the son of Japanese immigrants. Shining Path has denounced the current regime in Beijing as traitors to the ideals of Mao Zedong.

Slovaks Seek Czech Citizenship

PRAGUE (AP) — Thirty thousand Slovaks reportedly have applied for Czech citizenship since Dec. 9, when criteria for application were announced, the newspaper Lidove Noviny reported Monday.

Czech and Slovak leaders agreed to dissolve the 74-year-old union of the two republics on Jan. 1 after failing to resolve deep economic and political differences.

The larger, wealthier Czech republic has a population of more than 10 million, while Slovakia, the more rural eastern third of the country, has 5 million people. There have been no reports of significant numbers of Czechs applying for Slovak citizenship. Slovakia will permit dual citizenship.

Dresden Holds Vigil Against Racism

DRESDEN — More than 10,000 people held a silent candlelight vigil against racism and rightist violence here Monday. There have been several such demonstrations across Germany this month; a total of well over a million people have taken part.

Since three Turkish citizens burned to death after their home was set afire last month, Bonn has banned three neo-Nazi groups, strengthened police forces nationwide and authorized the search of hundreds of apartments and offices for evidence to be used in prosecuting perpetrators.

For the Record

Refugees from the war in the former Yugoslavia have pushed the number of asylum seekers in Sweden to a record 85,000 this year in spite of signs that hostility to foreigners is growing. (Reuters)

Japan broke its silence on its controversial shipment of 1.5 tons of plutonium from France, saying it would arrive Jan. 5. The Akatsuki Maru, which left France Nov. 7 with its radioactive cargo, will dock at Tokai, north of Tokyo. (AFP)

Chinese legislators have toughened penalties for hijacking, adopting the death sentence for some offenses and a minimum sentence of 10 years in prison for all hijackers, the Xinhua press agency said. The death sentence would be imposed on hijackers who killed, caused serious injury or heavily damaged aircraft, the agency said. (AFP)

TRAVEL UPDATE

Iran has introduced mandatory AIDS testing for foreigners who want to stay in the country more than three months, the official press agency IRNA, monitored in Nicosia, reported. (Reuters)

Cold winds from the Balkans brought an unusual snowfall to central and southern Italy on Monday. From Florence to the Puglia region, cars slipped off roads and schools closed, ski lodges filled and snowplows plied the highways. Snow also fell on Sardinia, where people had been swimming Christmas Day. (AP)

Six people died from cholera Monday in Lusaka, bringing the death toll from an outbreak in the Zambian capital to 110, the Health Ministry said. Another 1,280 people have been treated for the gastrointestinal disease in the city and its surrounding area this month, it said. (AP)

TRANSITION / MONEY MATTERS

Health Care: 2 Approaches

Japan Gets Points for Efficiency, Not Convenience

By James Sterngold

New York Times Service

TOKYO — Genji Ito, 70, had to travel 20 minutes by bicycle on a drizzly morning recently to get to the Toho University Hospital by 7:30, an hour before it officially opened.

But it was still a good day, he noted happily, for his early start had landed him place No. 69 in the hospital's dank waiting room, which meant that it would take only until noon to see the doctor about his heart condition and get his medication.

"This system is my savior," said Mr. Ito, sitting with about 100 others who filled the rows of vinyl-covered benches because Japanese physicians generally make no appointments. Despite the wait and the brevity of the visits, he pays just 900 yen (\$7.25) a month for his treatment, no matter how many times he goes.

Japanese like Mr. Ito put up with long waits at crowded clinics and seemingly impersonal treatment from physicians, but in return they enjoy what some describe as the most efficient universal health-insurance system in the world.

The system has produced one of the healthiest societies on earth, while keeping the financial burden on corporations remarkably light. Japanese companies pay about one-fifth of what U.S. concerns do for employee health insurance.

But the 30-year-old system is facing a challenge that threatens its success — the rapid growth in the number of retired healthy enough to pedal a bicycle to the hospital but old enough to need much expensive medical care.

The portion of the population 65 or older is expected to double, to 25 percent from 12 percent now, within 30 years. As a result, the portion of total medical costs for the aged is projected to rise from 17.8 percent in 1980 to 37 percent in 2000 and 41 percent in 2010.

In the past, the system has been so lucrative that government-controlled health insurers once used their surpluses to build resorts overseas. Today, these insurers, reflecting the kind of cost pressures seen in other countries, are preparing to slash \$320 million from the budgets of 247 government-owned hospitals and clinics over the next five years. They plan to close 74 other medical facilities and merge seven.

Doctors are bracing for tighter fee controls and the possible loss of major profits from selling the medication they prescribe.

But perhaps the most important lesson is in the Japanese approach to solving the cost problem. In all the study councils and debates taking place here, one bedrock assumption is not being questioned — that the burden of supporting these soaring medical costs should not fall on corporations. Nearly everyone is calling for the government, and hence the taxpayer, to foot the bill.

"The increase in costs is unavoidable and we know that," said Tetsuo Yagi, a former deputy minister of health and welfare and now vice president of the National Federation of Health Insurance Societies, a trade group. "The issue is how to balance the burden. We know that if we go beyond a certain point, we would lower the vitality

of the Japanese economy. That is what we agree we have to avoid. The government has to bear this burden, and I think it will."

This kind of choice reflects a side of Japan's economic strength that is often overlooked. Foreigners focus on the technological prowess of Japanese auto makers, computer-chip producers and consumer-electronics giants. But one of the secrets of Japan's industrial might is that the social welfare system delivers an impressive level of services to all, while costing taxpayers and corporations relatively little.

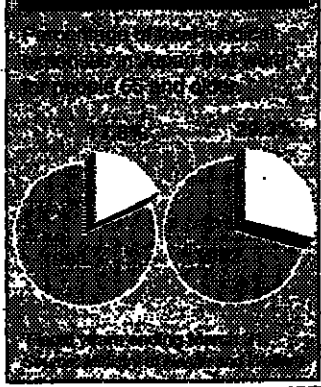
"The Japanese system has lots of trade-offs," said Daniel I. Okimoto, a professor at the Asia-Pacific Research Center at Stanford University, who is studying Japanese health care, "but on balance, if your objective is to control costs, it works. That is a competitive strength."

Many non-Japanese would reject some of these trade-offs as cumbersome, impersonal or too restrictive. The complaints here focus on crowded, factory-like facilities and doctors' heavy over-prescription of drugs as a way of increasing their restricted incomes.

What also makes the Japanese health-care system work more efficiently is the absence of a large impoverished underclass in Japan, a diet that is generally healthier than those of Westerners and the almost total absence of malpractice suits.

Overall, Japanese will spend 21.68 trillion yen (\$175 billion) on health care this year. That is 6.8 percent of the gross national product; total medical costs in the United States are 12.8 percent of GNP.

A Growing Demand By Older Japanese



NYT

Doctors tend to encourage long hospital stays to increase fees through greater volume of business. But the cost per day is relatively modest, which keeps the overall cost of the system low.

The centerpiece of the Japanese health-insurance system is a thick green-and-white paperback book issued by the Health and Welfare Ministry, which lists what doctors can charge for every approved treatment.

There is almost no flexibility. An experienced specialist in a demanding area of medicine would be paid the same for an exam as a newly minted general practitioner. There is no differentiation for levels of skill or expertise, or to reflect regional differences in costs. An appendectomy, for instance, costs \$388 whether it is performed in downtown Tokyo or in rural areas of the northern island of Hokkaido.

ground that a doctor need not share the full details of a diagnosis.

No matter what the disorder, patients receive extraordinary numbers of injections and pills, making the Japanese the largest consumers of drugs, per person, in the world. Patients taking experimental drugs are not told in some cases that they are participating in trials. Doctors frequently remove labels from routine prescription drugs.

Hospital stays are measured in weeks rather than days. Dr. Teruo Hirose, a heart surgeon who has practiced both in Japan and the United States and has just written a book comparing the two systems, says the average hospital stay here is 39 days, compared with 5.8 in the United States.

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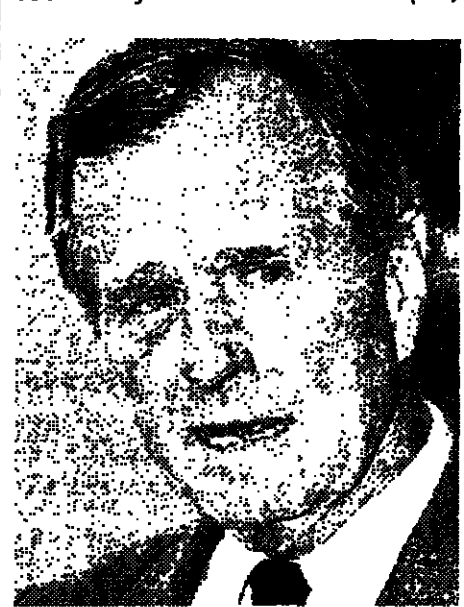
POLITICAL NOTES

Expediting the Confirmations

WASHINGTON — The Senate Democratic leader, George J. Mitchell of Maine, offering Mr. Clinton the same courtesy he offered Mr. Bush four years ago, said the Senate would meet in January for confirmation hearings and votes on cabinet members if the new president was prepared to submit names by then.

Getting several thousand top political appointees through FBI clearance and confirmed by the Senate, even when the Senate is controlled by the incumbent's party, is still a logistical nightmare.

The process of filling the top Senate-confirmed posts can take months, but Republicans who went through it the last two times say Mr. Clinton has a major advantage: the likelihood that Democrats will not be poised to leap on anything his nominees do before they are confirmed. (WFP)



Mr. Bush, in southern Texas for bird hunting, sported a black eye he received Christmas Day while throwing snowballs with a granddaughter.

The guest list includes such notables as Governor Evan Bayh of Indiana; Justice Harry A. Blackmun of the Supreme Court; Peggy Noonan, the former speechwriter for Presidents Ronald Reagan and George Bush; Theodore C. Sorensen, special counsel to President John F. Kennedy; and Admiral Elmo R. Zumwalt Jr., the former chief of naval operations. (NYT)

A Nominee Gets Just Deserts

MINNEAPOLIS — The day after Mr. Clinton selected Hazel R. O'Leary as secretary of energy, she was back in her fifth-floor office at a utility company here talking with Kris Sanda, Minnesota's public service commissioner.

"I told Hazel that she really deserves the job," recalled Mr. Sanda, a Republican who has sometimes differed with Mrs. O'Leary. "She said: 'Kris, you're the only one who has said that to me so far.'"

Those who have worked with Mrs. O'Leary, who is now executive vice president of Northern States Power Co., said that she will bring to the job open-mindedness, keen intellect, sure judgment and experience both as a regulator and as someone who has been regulated.

"She promises to be one of the most surprising people in the cabinet," said Robert W. Craig, president of the Keystone Center, a Colorado research organization specializing in energy and environmental issues. (LAT)

Were Asian-Americans Left Out?

WASHINGTON — While Mr. Clinton deplored "bean counting" of his cabinet appointments by sex and race, some wondered why there was not more of it. In particular, some Asian-Americans lamented that only one member of their group had even been mentioned as a contender for a top job. That was Representative Patsy Mink, Democrat of Hawaii, a Japanese-American whose name surfaced briefly as a candidate for secretary of the interior.

"I know the Asian community has sent in many names," said Mrs. Mink. "After all, even Bush had Pat Saiki as head of the Small Business Administration." Representative Robert T. Matsui, Democrat of California, a Japanese-American, said he expected several Asian-Americans to fill subcabinet positions or become agency chiefs. Mr. Matsui's wife, Doris, is on the transition team. (AP)

For Clinton, Self-Improvement

LITTLE ROCK, Arkansas — President-elect Bill Clinton will spend much of this week on his version of a busman's holiday: several days of seclusion with a thousand or so friends, talking.

As they have done for the last eight years, Mr. Clinton, his wife, Hillary, and their daughter, Chelsea, will attend a four-day retreat at a resort on the South Carolina island of Hilton Head. The retreat combines tennis, golf and other recreational activities with group and panel discussions on a wide array of topics in the areas of public policy, spirituality and self-improvement.

The informal discussions at Hilton Head will be private, covered by rules that put the discussions off the record for participating journalists, for instance the columnists Edwin Yoder and Art Buchwald. The idea, say participants, is to encourage a level of candid, intimate talk that forges bonds.

First Spouse and the Name Game

WASHINGTON — Hillary Clinton has let it be known that she prefers to use her maiden name, Rodham, on her stationery and for other official functions. In a harbinger of things to come, perhaps, a phone directory for the Presidential Transition Office does not list her under "C" for Clinton, but under "R" for Rodham-Clinton. When Mr. Clinton became governor of Arkansas, his wife was known as Hillary Rodham. She later used Clinton. Inside the transition operation, she is known as "HRC." (LAT)

Quote-Unquote:

Mr. Clinton, in an interview as Time magazine's "Man of the Year," was asked whom he would want in the room with him when he "made the really big decisions." His answer: "Hillary." She was in the room at the time.

In Eden-Like German System, Many See a Snake

By Marc Fisher

Washington Post Service

BONN — Everyone is insured, health care is widely recognized as excellent and no one ever sees a doctor's bill. There are no tangled arguments with dreaded hospital administrators, no trickery about "pre-existing conditions" or "usual and prevailing charges."

No wonder President-elect Bill Clinton and his health-care advisers sing the praises of Germany's insurance system. Unlike other much-ballyhooed national health programs, Germany's approach to health boasts much of what Americans say they want: private physicians, job-based insurance and no bloated federal bureaucracy.

On its face, the German method can seem a marvel. Virtually every German has unlimited coverage. The unemployed are covered by their local government labor office. Patients pay only their own premiums, and never a penny to doctors or hospitals. Patients don't even find out how much their treatment cost. Many insurers even throw in an occasional free stay at a spa.

There is no pressure to leave the hospital early, settle for a less expensive treatment or search for a cheaper physician. On the contrary, hospitals — which are paid per day for treatment — encourage long, leisurely hospital stays. Germans routinely check into the hospital for 10 days for a normal birth or four days for a simple biopsy that is a one-hour outpatient procedure in the United States.

Yet the Germans manage to provide all this care at about half the per capita cost of treatment in the United States. Health care accounts for about 8 percent of Germany's gross national product, admirably less than the still-ballooning 12.8 percent in the United States.

Germany's health system is governed neither by the market nor by government fiat, but by a typically German mechanism — regular, usually smooth talks among federal and state officials, insurance providers and associations of doctors and other health workers.

The 109-year-old system, established when Chancellor Otto von Bismarck set up health insurance funds for several occupations, is a source of pride for many Germans.

An American patient who complained to a Bonn hospital executive about being required to stay in the hospital for three days for a

routine prenatal screening test that is performed on an outpatient basis in the United States received this derisive retort: "We care about your health, not just about money. We don't push you out the door to make room for another patient. If you want to be treated like that, go back to the United States."

But in the world of health care, there is no Eden. Not only are there structural problems with the German system, but just as Mr. Clinton is holding up the Germans as a model, Bonn is busy working out another in a seemingly endless series of thorough reforms of the system.

"All Western health systems are now in crisis," said Brigitte Bernhardt of the German Health Ministry.

Doctors, hospitals and publicly funded insurers work together in this success story.

try. "We have more critics at home than we do abroad, and at least domestically there is a sense that we need drastic reforms."

Among the downsides to the German system: Employees contributions to insurance premiums seem high by U.S. standards; premiums are an average of 13 percent of income, with costs split evenly between employer and employee.

And although the German system is far more egalitarian than its U.S. counterpart, it too distributes care according to income. The 10 percent of Germans at the top of the income scale may opt out of the public health system and choose to be uninsured or to buy private insurance. Private premiums are a bit more expensive, and doctors get higher fees from private insurers, so these patients are a privileged class. They can walk into a hospital, get a coveted single room and count on being whisked ahead of the waiting masses and into the office of the chief doctor.

The most important drawback to the German system, however, is that despite its many successes, it has proved susceptible to the same disease that afflicts others' health care — the numbers aren't adding up anymore.

As Germany's population ages, the demand for health care is soaring. But the German system has no

mechanism for piling up reserves to cover the graying patient pool.

The government's solutions will sound familiar to most Americans: higher contributions from the average worker, and a partial adoption of the U.S. system of capping hospital costs by prescribing specific treatments for each illness.

Earlier this month, parliament approved the latest in a series of changes designed to get tough on rising costs. Patients will have to pay higher premiums, and their contribution toward prescription drug purchases will jump from about \$2 to more than \$3.

But the brunt of the cuts will be borne by doctors, the drug industry and pharmacists. Drug prices will be cut 3 percent next year, and the health system will save \$5.6 billion by eating away at the fees earned by doctors, dentists and hospitals. German physicians, who earn the highest incomes in the world after their U.S. colleagues, will face a 4 percent annual cap on cost increases.

And later this decade, Germany plans to move even further toward a more U.S.-style system, introducing competition among its publicly funded, nonprofit insurance funds.

The German system's "cost-containment success" makes it initially attractive as a model, concluded a study in the journal *Healthcare Financial Management* earlier this year. But the study urged the U.S. Congress to "look long and hard at the potential long-term financial instability of the German system."

Despite Germany's troubles, the system remains a model for U.S. Senate Democrats and Clinton planners, who like the idea of the federal government's setting spending limits, but leaving it to the medical community and insurers to negotiate among themselves how to meet the restrictions.

In a country with far greater expectations of social welfare assistance from government, the restrictions imposed by the German health system raise few of the objections that would instantly arise in the United States.

Germany keeps costs down in a variety of ways. There is a heavy emphasis on preventive medicine. Insurers pay for "well-baby care" and even send a midwife to a new mother's home daily to offer advice and help.

Hospital costs are controlled by tightly restricting access to hospital care. Patients need a doctor's referral to be allowed into a hospital, so they rarely go to a hospital for routine matters. Because a private

physician is not permitted to practice inside a hospital, he or she may choose to complete a patient's treatment, both for financial reasons and to maintain a relationship with the patient during treatment.

Health costs are also kept in check through government control over the purchase of big-ticket medical equipment. The government decides, for instance, how many CAT scanners each region needs, and forbids doctors to buy more than that number.

The other primary check on health-care costs in Germany is a linkage between increases in costs and wages. Health spending is not permitted to rise faster than workers' earnings.

But even in Germany, keeping

costs down is a constant struggle between regulators and physicians trying to pay for yet another vacation in the Far East.

"We had a problem with doctors doing too many sonograms during pregnancies, because they got paid for each time they turned on the machine," Mrs. Bernhardt said. "So we set a rule — two sonograms per pregnancy. Then the doctors realized they could get away with doing seven sonograms by calling virtually all pregnancies 'high-risk.' So now the insurers have new rules: They will pay one lump sum for all sonograms in a pregnancy, based on an average of three. We one-upped the doctors, and for now at least, they have to do only what is necessary."

Away From Politics

• A gang stole at least \$8 million from an armored-car service's countinghouse and garage after overpowering a guard at the building in New York, the police said. The armed gang of four to six men escaped. The guard was not hurt.

• Plans to launch a nonstop around-the-world balloon flight suffered a setback when winds gusting up to 50 miles per hour leveled the inflatable dome housing the craft near Reno, Nevada, for the second time in six weeks. The hourglass-shaped craft, about 100 yards high, was not damaged.

• The Ku Klux Klan put up a steel-reinforced wooden cross on a public square in Cincinnati, where protesters had knocked down a public square in Cincinnati, where protesters had knocked down crosses three times earlier, but the latest cross has been knocked down, too, the police said. Three people were arrested on charges of disorderly conduct for the latest attack. The white supremacist group's permit to erect a cross expires Wednesday.

• At least two people were hospitalized after using a spray for protecting leather, with a petroleum distillate instead of chlorofluorocarbons as a propellant. Forty-one others complained of coughing and shortness of breath after using the new 3-ounce can of the product, Wilsons Leather Protector. The incidents were reported in Oregon, Colorado, Washington state and California.

• A man with a pistol and a rifle walked into a bar in northern Minnesota, wounded two patrons inside and killed two outside before he was slain by a sheriff's deputy. A spokesman for the sheriff's department said a "domestic situation" apparently had prompted rampage by a 42-year-old officer of the Bureau of Indian Affairs.

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Canada	1-800-877-1111	Norway	0047-877
Chile	0056-877-1111	Peru	0051-877
China	0086-877-1111	Philippines	0063-877
Colombia	0057-877-1111	Poland	0048-877
Costa Rica	0050-877-1111	Portugal	00351-877
Cuba	0053-877-1111	Romania	0040-877
Czech Republic	0042-877-1111	Saudi Arabia	00966-877
Denmark	0045-877-1111	South Africa	0027-877
Egypt	0020-877-1111	Spain	0034-877
France	0033-877-1111	Sweden	0046-877
Germany	0049-877-1111	Switzerland	0041-877
Greece	0030-877-1111	Taiwan	00886-877
Hong Kong	00852-877-1111	Thailand	0066-877
India	0091-877-1111	USSR	007-877
Indonesia	0062-877-1111	U.S. Virgin Islands	001-877-1111
Italy	0039-877-1111	U.S. only	1-800-877-1111
Japan	0081-877-1111	U.S. only (collect)	1-800-877-1111
Kenya	0025-877-1111	U.S. only (local calling card)	1-800-877-1111
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Mexico	0052-877-1111	U.S. only (Sprint Express)	1-800-877-1111
Norway	0047-877-1111	U.S. only (Sprint Express)	1-800-877-1111
Peru	0051-877-1111	U.S. only (Sprint Express)	1-800-877-1111
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Somali Killed 100 as U.S. Troops Landed

By Jane Perlez
New York Times Service
KISMAYU, Somalia — In a last-minute move to consolidate his power before U.S. troops arrived in Somalia, the warlord in this port city rounded up more than 100 of the best-educated members of an opposing clan and had them shot, Somalis and U.S. diplomats say.

Religious leaders, businessmen, a doctor and other prominent members of the Harti clan were hunted door-to-door in a night of terror on Dec. 8, the evening before American troops landed in Mogadishu. Somalis who witnessed the operation said.

Amid wild shooting, members of the Harti clan were pulled from their homes by young men loyal to the warlord, Colonel Omer Jess, a member of the Ogadeni clan, and killed on the edge of town, the Somalis said.

The timing and circumstances of the killings here, which went on in a concentrated fashion for three nights and Somalis say still appear to be occurring sporadically, showed how treacherous is the terrain of clan politics faced by Americans here.

It is evident, U.S. officials said,

that Colonel Jess, who has since tried to ingratiate himself with the Americans, used the coming of Western forces as an excuse to eliminate educated local people whom the Americans might find more attractive allies. The colonel, who captured Kismayu in May, is viewed as an occupying force by the Hartis, who have much deeper roots here.

The American-led intervention in Somalia has repeatedly been described by Washington as limited in scope: to secure routes for the delivery of humanitarian assistance. But in the nearly three weeks since the Americans landed, it has become clear that because so many of the hungry died in the preceding months, emergency food is perhaps a less critical issue than outlined in the original concept of the operation.

Just as important now, say Western diplomats, aid workers and Somalis, is the need for political reconciliation and a weapon-free environment that would allow Somali society to return to some semblance of normality.

Just before the Americans landed at Mogadishu, Colonel Jess called a rally of his supporters in Kismayu and said that the town

had to be "cleared" of people who would cause problems with the U.S. troops, a member of the colonel's central committee said.

This was the go-ahead, the committee member said, for the killings. The committee member said it was "obvious" that Colonel Jess had conducted the operation in collusion with his main ally, the more prominent warlord of Mogadishu, General Mohammed Farrah Aidid, who is of the Hawiye clan.

The general briefly visited Kismayu on Dec. 6, two days before the start of the killings.

Eleven days after the first night of killings, Colonel Jess warmly welcomed President George Bush's special envoy to Somalia, Ambassador Robert B. Oakley. The ambassador came here Dec. 19, 10 days after the landing in Mogadishu and the day before the American troops arrived in Kismayu.

Mr. Oakley said in an interview Saturday that he believed more than 100 had been killed in Colonel Jess's operation. The ambassador said he had told the colonel that "we knew exactly what went on and we won't forget it."

But the envoy suggested that there were limited specific actions

Washington could take against the colonel.

Mr. Oakley said the United Nations Security Council resolution authorizing the military intervention in Somalia made no provisions for the trial in the international arena of people charged with war crimes.

"The legal situation is very clear," said Mr. Oakley of the United States position. "We are not an occupying power. There is nothing in the Security Council resolution about war crimes as there is with Bosnia."

A Western diplomat acknowledged that by dealing with so-called authorites like Colonel Jess, the American-led intervention ran the risk of formalizing illegitimate regional authorities. "Kismayu is a political problem, not a humanitarian problem," said the diplomat.

Instead of taking direct action against Colonel Jess, Mr. Oakley said attempts would be made to isolate him by encouraging traditional leaders to participate in newly formed town committees.

The U.S. troops, joined by Belgians here, made their first moves against Colonel Jess on Monday by surrounding a compound where he keeps a number of armed vehicles.

Quayle Center Would House Memorabilia

The Associated Press
HUNTINGTON, Indiana — The Dan Quayle Commemorative Foundation wants to open the nation's first vice presidential museum, displaying items including Mr. Quayle's Little League uniform and his Indiana University law degree, chewed by a family dog.

The foundation wants to house the Quayle Center and Museum in a former church and open it in May.

"We're talking about Dan Quayle's life, his family, his political career, the fact that this is history in the making for the state of Indiana," said the foundation spokesman, David A. Schenkel. "We're documenting as much as we can, while we can, for future generations to enjoy."

The group has displayed memorabilia on the 44th vice president for two years at the Huntington City-Township Library and Huntington College.

IRAQ: Warplanes Sent

(Continued from page 1)
France to protect Shiite Muslims. Flights by Iraqi helicopters and planes are prohibited there.

Meanwhile, the Kitty Hawk aircraft carrier is steaming from the coast of Somalia to the Gulf, carrying other navy planes. The air force has sent additional KC-10 planes to Saudi Arabia to help refuel the parrels and planes that monitor communications.

The American action was taken as the United Nations reached an agreement with Baghdad that would allow the resumption of deliveries of relief supplies to the Kurds in northern Iraq. Those shipments were suspended when Iraq began pulling UN drivers from the relief trucks and blowing up the vehicles.

Jan Eliasson, the UN undersecretary-general for humanitarian assistance, said in an interview that he had reached an agreement with Nizar Hamdoon, Baghdad's ambassador to the United Nations, that the truck shipments would be accompanied by armed UN guards.

BOSNIA: Closer to Intervention

(Continued from page 1)
in writing to President Slobodan Milosevic of Serbia and General Zivota Panic, commander of the Yugoslav Army, diplomats said Monday.

Looking beyond Bosnia to the risk of trouble being fomented in neighboring Kosovo, Mr. Bush also threatened military action against Serbia itself as well as against Serbians in Kosovo if Belgrade widened the conflict to that ethnically mixed province.

In a separate move, Mr. Butros Ghali put Yugoslav leaders on notice Monday that "foreign armies may intervene in Bosnia's war," according to a spokesman for the Belgrade government. Mr. Butros Ghali, backing the UN mediators working on a diplomatic solution, has sought until now to postpone a UN resolution authorizing the use of military force.

UN officials quoted Foreign Minister Andrei V. Kozirev of Russia — who is in Geneva for a disarmament meeting with Secretary of State Lawrence S. Eagleburger — as saying that Moscow faces mounting domestic pressure to support the Serbs as former Slavs and stop supporting U.S. calls for outside intervention against Belgrade.

In a bid for a political breakthrough this week, Mr. Butros Ghali, who conferred with Cro-



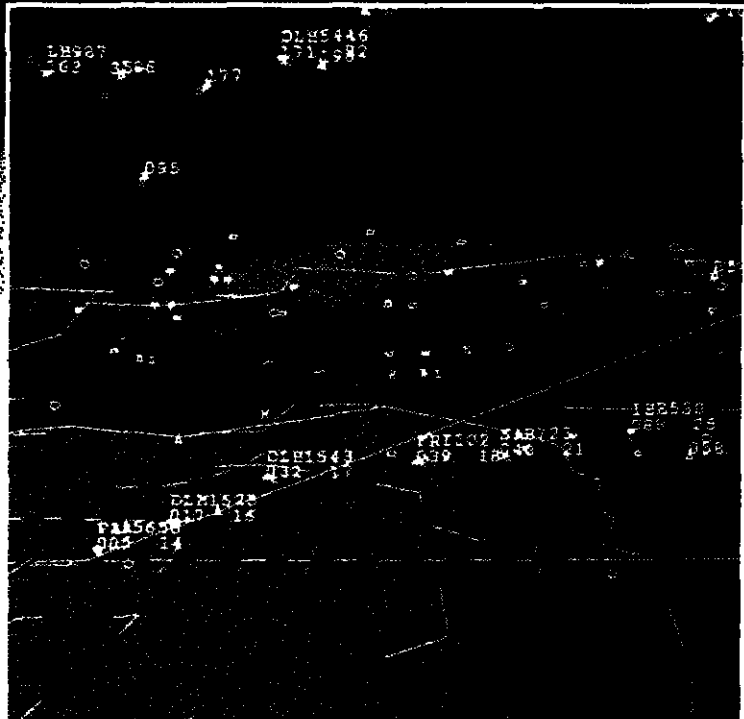
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SOMALIA: Warlords Vow Unity

(Continued from page 1)
between warring clan factions. But the violence that swirled around their appearance only served to highlight the extent of the lawlessness that has rampaged unchecked throughout the city, three weeks after U.S. troops first landed in Somalia to help restore order and deliver relief aid to the starving.

The warlords, General Mohammed Farrah Aidid and the self-declared interim president, Mohammed Ali Mahdi, have been considered the two men most responsible for the destruction Mogadishu; their duel for power resulted in a three-month artillery barrage that left up to 30,000 civilians dead.

Bringing the two men together has long been seen as an important first step in resolving the problem of the collapse of central government authority in the capital and violent anarchy in the countryside.

Since the arrival of U.S.-led forces, however, General Aidid and Mr. Ali Mahdi appear to have lost much of their power and relevance.

Their young militiamen have withdrawn without a fight from areas where the U.S. troops have moved in and, as Monday's violence showed, the once-powerful warlords appear incapable of exercising control over the hordes of freelance bandits and gunmen operating in the capital.

Some relief workers have suggested that the arrival of the U.S. forces has created a power vacuum in the city that has led to the renewed lawlessness. At the same time, the U.S. troops insist that their job is to protect relief aid to starving people, not to act as a police force.

In the incident involving the Visnews crew, U.S. forces only got involved after the fleeing robbers opened fire on their position.

Then the bandits were chased on foot by four American soldiers down narrow side streets and past Somalis screaming and ducking for cover. The troops shot and killed one assailant and then decided it was too dangerous to continue the

CLINTON: Lobbyists Are Forever

(Continued from page 1)
administration in large part with Hill veterans.

"He should be recognizing it's the electoral process that got him there," said Mr. Low. "He's going to turn to something for help, it should be other elected officials, not the interest groups. We know where the money came from, but the authorization came from the people."

Other analysts see nothing wrong with the appointment of lobbyists as long as they sever corporate ties, much as lawyers do when they become judges.

"The general principle is not to disqualify competent people just because they had served as an advocate for some private interest," said Michael Josephson, a California ethics consultant.

Mr. Clinton has moved to limit future gain from office by banning post-government lobbying by top administration officials for five years — which, Mr. Waldman said, will change their behavior in office.

Mr. Josephson urged "skepticism and caution" in selecting transition advisers but added, "You can't constantly eliminate people on the assumption they can't act in good faith."

None of the lobbyists named to the cabinet or transition has been known to cross the ethical line. Indeed, before Mr. Paster left Hill and Knowlton, he wrote a memorandum proclaiming a new political order in which "what you know" is more important than "who you know."

Driver Killed, 2 Injured As Danish Train Derails

Reuters
COPENHAGEN — A night train carrying 87 people derailed near Copenhagen on Monday, killing the driver and slightly injuring two passengers, the police said.

They said the accident occurred as the train was approaching a station at Roskilde, 30 kilometers west of the Danish capital. The cause of the crash was not immediately known.

On Election Eve, Many Say the Kenya Vote Is Rigged

By Kenneth B. Noble
New York Times Service

NAIROBI — Western diplomats, dissidents and human rights activists say that the campaign for Kenya's first multiparty elections in 26 years has been marred by across-the-board cheating and that the electoral system is skewed to benefit the government of Daniel arap Moi.

The president has promised that the election Tuesday will herald a return to a democratic party system, unknown here since the early 1960s.

But critics say the voting will be a charade intended to perpetuate Mr. Moi's increasingly authoritarian regime, while showing sufficient political pluralism to persuade Western donors to restore the aid that was suspended a year ago, costing Kenya nearly \$360 million.

The government denies charges of rigging, saying it is committed to free and fair elections. Mr. Moi has ruled for 24 years. His party is the Kenyan African National Union.

Electoral watchers for opposition parties say their candidates have been constantly harassed, with permits for rallies either denied or canceled. Critics also say severe limits have been placed on access to the state-controlled television and radio networks.

What is most troubling, Kenyans and Westerners say, is the increasing violence against people living in regions where the opposition is believed to be strong, particularly the Rift Valley. Houses have been



Kenyan troops keeping an eye on a truckload of supporters from the opposition Democratic Party after a rally near Nairobi.

burned and looted, and tens of thousands of people have fled.

Electoral fraud, much of it difficult to confirm independently, is accepted as an article of faith by opposition politicians and human rights activists.

"It is absolutely certain that the election has been rigged and continues to be rigged," said Paul Muite, deputy chairman of the Forum for the Restoration of Democracy, one of the main opposition parties. "I and other members of

my party have been agonizing over whether or not there's still any point in even participating."

Last week, Germany withdrew its observers, saying the government was refusing to allow a thorough examination of the election.

The Ministry of Foreign Affairs had declined Germany's offer of more than 30 observers — setting a limit of 8.

"There will probably be fewer than 100 international observers, and there will be over 100,000 polling stations," Bernd Mitzelburg, the German ambassador, said.

Amos Wako, Kenya's attorney general, said the government had refused to allow additional observers from Germany because doing so would breach an agreement reached earlier between the two countries.

The International Republican Institute, a team of U.S. observers affiliated with the Republican Party, which receives money from the Agency for International Development, recently issued a report mildly critical of the government's campaign.

A youth group associated with the governing party responded with a scathing attack.

"We call on all Kenyans to fight to safeguard their independence," it said.

"Nobody, even the rich and militarily powerful Americans, should be allowed to boss us around."

And a group of observers from Commonwealth nations expressed concern about reports of violence surrounding the electoral process.

It appealed to candidates and parties on both sides to control their supporters and called for action from law enforcement authorities.

The threat of civil disorder is especially striking given Kenya's reputation of relative political maturity.

In the 1970s and 1980s, in part because of its pro-Western outlook and its strategic position on the Indian Ocean, Kenya received large infusions of Western aid.

Manila Cultists Go Flat Out Against Evil, and Traffic

The Associated Press

MANILA — Religious cultists deflated tires on scores of vehicles Monday, snarling traffic throughout the Philippine capital. At least 32 people were arrested.

Police said the participants were from a cult called the Reserved Manpower of the Good Wisdom for All Nations, which clashed with police in June after its leader, Alesio Bernales Pen, a part-time radio commentator, called on the military and police to overthrow the government.

Officials said the group hired several passenger jeeps, drove to selected areas and, at an appointed time, commandeered vehicles and began deflating tires.

Handbills distributed by the cult said the attacks were "God's way of stopping bad deeds," and one follower of the group said the tires had to be flattened because "air is from God."

The incidents began during the evening rush hour along several major traffic arteries. Motorists on one expressway abandoned their cars and fled as police with rifles chased the cultists after they had let the air out of tires on at least 10 buses and cars.

India Plan for Shrine Assailed on Both Sides

The Associated Press

NEW DELHI — Hindus and Muslims on Monday sharply criticized a government plan to end a sectarian dispute by building both a mosque and a Hindu temple on a contested holy site.

Each group claimed sole rights to the site in the northern town of Ayodhya, where Hindu fundamentalists want the government to hand over the site to them.

Muslim organizations also condemned New Delhi's efforts to acquire the land in Ayodhya.

Prime Minister P.V. Narasimha Rao is "playing with the sentiments of the minority community," said the All India Babri Masjid Rebuilding Committee in a statement. "We are shocked and surprised," said a spokesman for an umbrella organization for Muslim groups.

The government has said it will acquire sufficient land in Ayodhya for the two shrines, which will be built by independent trusts. It also said it would ask the Supreme Court to decide whether a Hindu temple ever existed on the site.

A centrist party and two leftist parties criticized the decision, saying that the government had legitimized the razing of the mosque.

On Monday, about 700 activists of the Hindu nationalist Bharatiya Janata Party threw rocks at buses and tried to force their way into the New Delhi offices of the state-run television to protest what they said was partisan coverage of the conflict.

Meanwhile, bowing to Hindu demands, authorities in Ayodhya allowed the first group of 75 pilgrims to offer prayers at the makeshift temple.

Muslims make up 12 percent of India's 875 million people. Hindus account for 82 percent.

Blacks, Not Army, Blamed for Violence

Compiled by Our Staff From Dispatches

JOHANNESBURG — A commission investigating violence in South Africa played down the army's role in the unrest, saying Monday that the main cause was the political rivalry between the country's two major black groups.

In scathing criticism of the African National Congress and the Inkatha Freedom Party, the panel said that the two groups' rivalry overrode any role the security forces had played in the violence, which has claimed more than 3,000 lives in black communities in 1992.

The army's hand in the violence is still to be determined, according to the interim report, but it "remains clear that a primary trigger of current violence" is the rivalry between Inkatha and the ANC.

The government set up the commission under Justice Richard Goldstone in 1991 to investigate the causes of political violence, a major obstacle in South Africa's transition to nonracial democracy. Last month, the panel revealed that the South African Army's military intelligence unit had mounted a dirty tricks campaign against the ANC's armed wing, which included employing a convicted murderer, Ferdi Barnard, last year.

It accused the leaders of the ANC, led by Nelson Mandela, and Inkatha, headed by Chief Mangosuthu Buthelezi, of not doing enough to stop violence and impose discipline among members.

(AFP, Reuters)

For Some in South Africa, War Is the Sole Solution

By Alan Cowell
New York Times Service

SOWETO, South Africa — On a patch of green and perfect lawn that mimicked the greater estates of the rich over the hill, Terence Serero and Mpiisa Tshepe took stock of their land the other day and decided that everyone else had gotten it all wrong.

What is needed, the two 22-year-old college students from the Pan Africanist Congress said, is not talk of peace but "people's war," an insurgency to end "the colonial, settler regime" so that the new land of Azania, as they call South Africa, might raise the banner of scientific socialism.

Such relative belligerence may seem at odds with the nation's move toward harmony and majority rule. Yet the sentiments have found an echo among many South African blacks, particularly since members of the Pan Africanist Congress's military wing, the Azaf-

ian People's Liberation Army, killed four whites and wounded many others in two attacks on civilians over the past month.

The killings were condemned by Nelson Mandela's African National Congress and by the white authorities. But, Mr. Serero said, the murders "made the people feel delighted because they have been dying in great numbers and now it was happening to European settlers."

It is not only the two students on the lawn in Soweto — an unusual feature in this gritty township outside Johannesburg — who speak these days of disruption and war.

Eugene Terre Blanche, leader of the neo-Nazi Afrikaner Resistance Movement, seemed to borrow their language recently when he told his followers: "We must reach out to everyone who is white and Christian to join our people's army."

"There must be no doubt, war is coming to South Africa," Mr. Terre

Blanche told followers on Dec. 16 as they celebrated the Day of the Vow marking the victory of Afrikaners over a Zulu army at the Battle of Blood River in 1838.

Mr. Terre Blanche and the Pan Africanist Congress are diametrically opposed in their aspirations. He and his followers want a white state. Mr. Serero and Mr. Tshepe want to destroy white rule and turn South Africa into a one-party, Marxist state.

Yet the two groups also have much in common. Both revile the negotiations between Mr. Mandela and President Frederik W. de Klerk because both, from opposed perspectives, think that the talks are a sellout, and both threaten yet more violence to oppose the creation of an interim, multiracial government.

"A nation's borders," said Mr. Terre Blanche, "are drawn in blood on the battlefield, not in offices or negotiations with the Antichrist."

Perhaps the most significant similarity, however, lies not so much in the words as in the numbers. In a land of over 30 million, Mr. Terre Blanche drew 700 followers. The most recent Pan Africanist rally in the so-called homeland of Lebowa drew 300.

Neither, thus, is a major political force; but members of both have proven themselves ready to try to back their words with violence. The Pan Africanist movement was formed in 1959 when its leader, Robert Sobukwe, broke with Mr. Mandela's ANC, and it took much credit one year later for organizing a march in the township of Sharpeville when blacks sought to hand in their passes — the apartheid document that ruled their lives. The police opened fire on the protesters, killing 67 of them.

Both the Pan Africanist movement and the ANC were banned and made lawful again only in 1990. In the intervening period,

they operated from different headquarters in exile.

The distinction between the two touched a central and enduring division in black politics. The Pan Africanist movement, espousing the ideology of the Ghanaian leader Kwame Nkrumah, advocated the idea that blacks alone should fight for their own liberation.

These days, in the version offered by Mr. Serero and Mr. Tshepe, it is the ANC that has betrayed the black cause because it has abandoned the "armed struggle" while its leaders — living in "mansions" — have become petty bourgeois.

The Pan Africanist movement, which has not disowned either its own guerrillas, the Azanian People's Liberation Army, nor the attacks on "European settlers," is thus depicted as the vanguard of a revolutionary war, fighting under a banner — discredited elsewhere on this continent — of Marxist orthodoxy and African nationalism.



Edoardo Volonteri, Country Manager Akzo Coatings Italy.

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CREATING THE RIGHT CHEMISTRY



A Year of Basic Instincts on Parade

By William Grimes
New York Times Service

NEW YORK — Queen Elizabeth called 1992 an "annus horribilis." In plain old American English, the year was a royal pain. The recession continued to bite hard. So did Dracula. It was a great 12 months for bondage wear, body piercing and sex with ice picks.

The year's top fashion accessory was inspired by a disease, with Hollywood and Broadway actors displaying red lapel ribbons to show solidarity with people with AIDS. The year's top toy, a Schwarzenegger-size water gun, turned the old-fashioned squirt gun into a brutal assault weapon that sometimes provoked return fire from actual Uzis.

Sharon Stone, the ice-pick queen, started things off on the right foot. In posters for the movie "Basic Instinct," her nails sliced bloody furrows straight down Michael Douglas's back. Love hurts.

The signs of guilt were everywhere. Evidently, we all behaved much worse in the '80s than anyone imagined. We need to be punished. We want to be punished. Gianni Versace showed enough leather and restraint straps to subdue Hannibal Lecter.

The New York Post ran a three-part series on the world of dominatrices and their slaves. The United States is fast becoming a country in which mainstream readers can now be expected to understand the difference between a seven-inch and a nine-inch patent leather heel.

There was lots of hardware and body piercing in Madonna's book "Sex," which was strong on hype but weak on scholarship. The Village Voice quoted a dominatrix as ridiculing Madonna for not knowing the difference between a dominant and a submissive shoe. The book did have an aggressively pierced binding, though.

Not everyone resorted to clamps and needles to make a point. But the pressure was strong to have serious views on serious, preferably planet-threatening issues and to express them loudly and often.

Sinead O'Connor ran away with top honors, ripping up a photograph of the Pope on "Saturday Night Live." The audience was befuddled. She later explained that the rip job was a protest against the political power of the Catholic Church.

Less spectacularly, the politically aware, ecologically concerned, multiculturally empowered citizen



1992 revisited, clockwise from top left: Versace design; Madonna's see-all book; Sinead O'Connor's protest; Sharon Stone.

sported African-accented Cross Colours clothing, a baseball cap emblazoned with a large X (in homage to Malcolm X and the Spike Lee movie of the same name), Nike athletic wear trimmed in traditional African kente cloth patterns and a Smith & Hawken canvas jacket with tugged-out buttons (a renewable rain forest crop).

The heavily trafficked two-way street between politics and fashion took a bizarre turn in the presidential election, which cranked up the JFK fever all over again, just when

Oliver Stone had finally shut up. No sooner had the voters learned to relive the assassination than they were asked to go through the 1960 campaign. It was like watching another movie, "JFK: The Prequel." In a drive called Rock the Vote, assorted pop-music figures urged the young viewers of MTV to get to the polls and, uh, make a difference.

So, cool. The guy with the sunglasses and saxophone actually won. Make way for the '60s generation, now sporting a spare tire

around the midriff, two or three kids and interesting personal histories.

The baby boomers have grabbed the brass ring of leadership with a certain amount of anxiety over past indiscretions — things that happened in the '60s and may be a little hard to explain to the children.

Generational anxiety was covertly expressed by Hillary's headband, an attempt to send out reassuring, demure signals that might soften her image as a smart, ambitious boomer with a genuine career. To

make doubly sure, she baked chocolate-chip cookies for about a week.

As the baby-boom generation put on its best Sunday school suit (we swear we're responsible and fully capable of running the country), something retro, funky, down and dirty was happening to Americans in their 20s.

The term is grunge, a potent fashion, music and comprehensive life-style statement involving heavy-feedback guitars, greasy hair and thrift-shop clothing, with special emphasis on ripped jeans and flannel shirts. The attitude is a limp, glassy-eyed numbness. Picture Neil Young cryogenically preserved in 1972 and unthawed 20 years later.

The glamour couple of grunge is Kurt Cobain, lead singer and guitarist of the rock group Nirvana, and his slatternly fairy-tale bride, Courtney Love of the all-woman band Hole. Their admirers can buy \$700 grungewear from Marc Jacobs.

The 1970s came back with a happy face, too. Platform shoes, a bit of fashion excess that everyone knew could never be revived, were revived. So were long skirts. "The Brady Bunch" became a very O. K. pop-culture reference.

The postmodernizing of television continued apace. The Saturday morning schedule became clogged with half-hour infomercials in which bouncy pitchmen and vental stars appeared on fake talk-show sets for in-depth discussions of hair products, psychics, vegetable juicers and fat-burning systems.

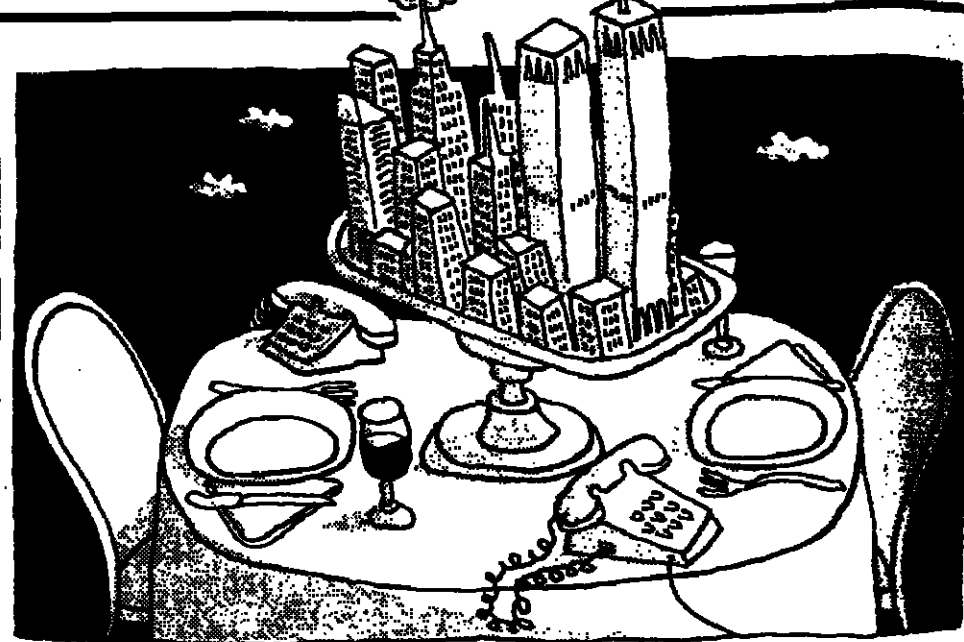
Alarming, some of the programs were more fun to watch than Antonio Hall's talk show. In the same way, the faux anchors on the Buick commercials looked more authoritative than all of the local news teams in New York.

Fashion, which once dealt in enigmatic silences, suddenly began to speak. When Cindy Crawford wasn't shaking it all over the place for her exercise video, she took to the microphone in "House of Style," her fashion report on MTV.

For some Americans, it was all too much. Fear for the future has brought on depressive symptoms. In New York, the nightclub reconfigured itself as playpen and playground. Marky Mark became the poster child of the baby-tween movement, smiling with sweet innocence in his Calvin Klein underwear from billboards around the United States.

Urban homeboys began sucking on pacifiers, the next regressive step in the hip-hop uniform of backward baseball cap and backward, drooping jeans, suggestive of a 5-year-old who got dressed without his mom around to supervise. Madonna's spanking fetish suddenly began to look prescient, as did O'Connor's baby-bald head. Semioticians continue to work overtime interpreting the pacifier as a cultural sign, which is undeniably disturbing.

Too many signals, too little time.



Royalton Round Table

Beanery of Choice for New York's Fashion Folks

By Georgia Dullea
New York Times Service

NEW YORK — In some ways, it is nothing like lunch at the Algonquin Round Table with Dorothy Parker, Robert Benchley and company back in the '20s and early '30s. Lunch in those Prohibition days was booze disguised in tea cups, club sandwiches and maybe half a pack of Camels. The New Yorker magazine was born at the Algonquin Hotel's round table, they say, and it was there that Parker, on hearing of Calvin Coolidge's death, asked, "How can they tell?"

In other ways the lunch scene at the Royalton Hotel, across from the Algonquin on West 44th Street, is every bit as clubby as the old round table. The Royalton has become the beanery of choice, the nexus for the elegant editors of the high-profile magazines and Seventh Avenue designers and others in the fields of fashion, beauty, design and celebrity journalism.

"It's a little younger, cheaper and groovier than Vogue, Harper's Bazaar, Condé Nast Traveler. The New Yorker, Details, all have British editors at the top and British editors under them. They must feel at home with Brian McNally. 'Believe me,' said McNally, who grew up in a working class neighborhood, 'they're from a different part of London than I am.' Perhaps, but McNally was a roommate of Ann Wintour in the early '80s when they were both newcomers to New York. And his wife, Anne McNally, is a contributing editor at Vogue, where Wintour is now editor in chief.

"Brian takes wonderful care of me," said Wintour, who flies into the restaurant. "I can be in and out in less than an hour." Wintour wastes no time checking her coat. The minute she flings it onto one of the banquettes, a waiter in black appears with a cup of espresso. A minute later another waiter follows with her meal — usually mashed potatoes and grilled fish or a hamburger.

"Red meat — that's her secret!" a Mademoiselle editor was saying the other day as Wintour bit into her burger. The Mademoiselle editor was also intrigued to see Calvin Klein sipping tea with lemon.

Another secret? "No," Klein croaked, "a terrible cold." Shouldn't he be home in bed? No, he said, barely audibly, he must have a holiday lunch with his dear friend Nonnie Moore of GQ. Besides, he went on, eating at the Royalton was almost like being home. "You don't have to dress," he said, plucking at his T-shirt.

Vanity Fair tells lunch dates, although the restaurant is called 44. He has been bunking at the Royalton for the last three months and bumping into Sandra Bernhard, celebrity in residence, along with the parade of models, stylists and photographers that Condé Nast routinely puts up at the hotel. It's one big slumber party.

Even S.I. Newhouse, a Four Seasons fixture, has been dropping by the canteen from time to time to lunch with Tina Brown of The New Yorker and other star editors.

The Royalton was a Seventh Avenue hangout, though not a lunch scene, long before the invasion of the magazine editors. Fashion designers have been walking the narrow blue-carpeted runway of Philippe Starck's fin de siècle lobby since the refurbished Royalton opened in 1988. But when McNally and his partner, the chef Geoffrey Zakarian, took over the restaurant last February, the magazine editors began pouring in and the lunch scene came alive.

THE air is filled with British accents. Vogue, Harper's Bazaar, Condé Nast Traveler. The New Yorker, Details, all have British editors at the top and British editors under them. They must feel at home with Brian McNally. "Believe me," said McNally, who grew up in a working class neighborhood, "they're from a different part of London than I am." Perhaps, but McNally was a roommate of Ann Wintour in the early '80s when they were both newcomers to New York. And his wife, Anne McNally, is a contributing editor at Vogue, where Wintour is now editor in chief.

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STYLE MAKERS

Eileen Fisher
COMFORT SELLS

New York Times Service
NEW YORK — Anger has been used as an excuse for many things — most of them bad. But Eileen Fisher swears that it was "anger at the fashion business" that led her to design clothing in easy, elegant styles as a kind of personal protest.

"Men have always had systems of clothing," she said. "A shirt, a tie, couple of pairs of jeans — they don't need the latest shape. I'm angry about that. And I was angry 10 years ago when I started."

Fisher was an interior designer looking for comfortable clothes in natural fabrics, with simple lines that would last year after year.

Finally in 1984, she hired a seamstress to produce four items that she brought to the New York Fashion and Boutique Show. "I got \$3,000 worth of orders and three months

later I went back and got \$40,000. So, I knew I had a business."

Judging from the rapid growth of her company, Eileen Fisher Inc., many women agree. But Fisher said it was not until she hired a new vice president for sales, Ann Kaspar, last year that she was able to hold the interest of the department store chains. "She's chiefly responsible for making them take notice," said the 42-year-old Fisher, whose clothes can now be found in Saks Fifth Avenue, Nordstrom's and Neiman-Marcus.

"Before, the store would be excited about the clothes, but they wouldn't write any orders," Fisher said. "Ann sits down with them and says, 'We're going to work with you' — and all of a sudden the lights went on and they were interested."

Today, Fisher's original four items — a vest, boy top, sleeveless blouse and flowing cropped pants — and similar, easy to wear (and wash) coordinates can be found in 2,000 retail stores across the United States. Her company reported net sales of more than \$7 million in 1991 and projects at least \$10 million for this year.

Much of that will come from the

four stores she owns (three in Manhattan and one in Chicago).

In her warehouse and office in Irvington, New York, overlooking the Tappan Zee Bridge, Fisher is surrounded by colorful swatches of yarn and cloth and a crayon drawing by her 3-year-old son, Zachary.

"'Anger at the fashion business' led her to design clothing."

She said much of her company's success came from the changing fashion attitudes of working women. "They don't want to buy that trendy stuff anymore," she said. "The shopping, the fussiness, thinking: 'Does this go with this?' Time is so precious."

As far as her own company goes, she said: "We do a lot of brainstorming now, things are growing so fast. But we like it to be relaxed. Like the clothes."

M. P. Dunleavy

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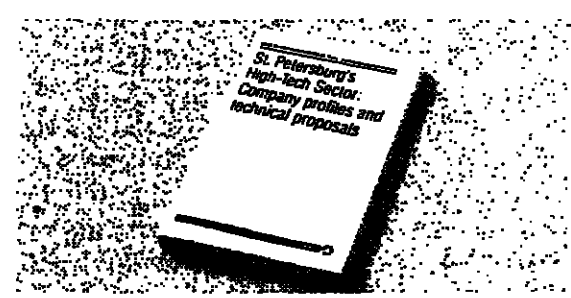
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INTERNATIONAL Herald Tribune

Make Peace on Earth

The world that confronts President-elect Bill Clinton is newer and more disorderly than anyone might have imagined only a year ago.

It is hard to say whom all this makes more uncomfortable, the old-style military or the old-style pacifists.

Sister Anne McCarthy of Pax Christi, a Roman Catholic group helping Balkan refugees, spoke with greater clarity to Peter Steinfels of The New York Times.

At what point does the world stop depending on posess and institutionalize a system of international law enforcement?

This is a new version of an old debate over the doctrine of bellum iustum, or just war, which began with St. Augustine.

At what point does the world stop depending on posess and institutionalize a system of international law enforcement?

Yes, Keep Helping Russia

As the great struggle over reform deepens in Russia, the West continues to have an invaluable opportunity to exert its influence on the side of democracy and stability.

The setback to President Boris Yeltsin and the reformers at the hands of the Congress of People's Deputies is a disappointment to anyone who hoped to see the rebuilding of the Russian economy proceed rapidly and directly.

Many Western governments argue that economic aid would only be wasted if it were given under the present conditions of chaos and dissension.

A Korean Achievement

Kim Young Sam, a veteran democrat, won South Korea's presidential election by a convincing margin.

Kim Dae Jung ends with honor. In his first presidential race, in 1971, he nearly upset a military strongman.

This election is a proud achievement and an example to the rest of Asia.

Other Comment

When Peacemaking Succeeds

El Salvador is celebrating its first peaceful Christmas season in a dozen years thanks to a remarkable exercise in diplomacy by the United Nations.

feating an aggressor involve costs proportional to the offense?

As the Jesuit John Courtney Murray says: "Consideration must be given to the proportion between the damage suffered and the damage unleashed by a war to repress the injustice."

Using this test, intervention in Somalia seems incontestably just in its aims — to save a starving people — and proportional in its collective means.

Prudential considerations cannot be disregarded. For example, if Indian Hindus and Muslims should engage in countrywide genocidal conflict, intervention might be defended on moral grounds, but scarcely on grounds of proportionality.

Every case, in short, has to be judged in its own context. But there is no reason why principles, and UN procedures, need to be ad hoc.

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At what point does the world stop depending on posess and institutionalize a system of international law enforcement?

— THE NEW YORK TIMES.

tracted and its performance will be ragged. That is one of the urgent questions waiting for President-elect Bill Clinton.

The Russian economy is being caught in a vicious circle. The government, to avoid increasing social distress and unemployment, keeps the price of oil down and makes huge loans to unprofitable factories.

During the past year the West has provided a good deal of aid to Russia, but not all of it has been in the forms most useful to the Russians and most supportive of good policy there.

There is no guarantee that help from abroad would be successful, and it certainly would not be cheap.

— THE WASHINGTON POST.

of reforms. As a result, this year's race focused on concrete policies, not symbolism. Kim Young Sam, the winner, is a pragmatist, not a visionary.

Kim Dae Jung ends with honor. In his first presidential race, in 1971, he nearly upset a military strongman.

This election is a proud achievement and an example to the rest of Asia.

— THE NEW YORK TIMES.

There are plenty of problems ahead for a country with an appalling gap between a small wealthy upper class and poverty-plagued masses.

Abandoning the ideological confrontation of the Reagan era, when U.S. dollars trained and financed some of the most brutal military units.

— The Baltimore Sun.

The World Should Be Patient With Russia

By John E. Robson

The writer, deputy secretary of the U.S. Treasury, is one of President Bush's coordinators of U.S. assistance to the former Soviet Union and Eastern Europe.

WASHINGTON — Boris Yeltsin, brinkman of Russian politics, has eluded a fatal bullet from the remnants of the nomenclatura.

But to question this sometimes naive and overzealous hand-wringing is not to undervalue the high stakes in having durable democracies and free market economies take root in the former Iron Curtain countries.

These things observed, however, America's leadership role in assisting the economic reform process in Eastern Europe and the former Soviet Union since the Berlin Wall toppled has taught some lessons that may be useful to President-elect Clinton.

While most expert observers believe that a post-Soviet economic reform works best, advocates of a more cautious approach have some powerful politics on their side.

Be tolerant of imperfections in their reforms. Don't measure success by whether they transplant exact replicas of American institutions and practices.

Our objective should be to have the reform horse finish the race, even if it takes more than one jockey, a circuitous route and a generation to get there.

Throwing money at the problem is not the solution. It not only would be wasted but could foster a reward system that actually interferes with taking the harsh but necessary economic reform actions.

Economic reform cannot be delivered, wrapped and ribboned by the West. It can be accomplished only as a do-it-yourself project by the people of these countries.

Diplomacy Is No Substitute for U.S. Foreign Policy

By Charles Krauthammer

WASHINGTON — The dominant cliché of the post-Cold War era — Bill Clinton repeats it every chance he gets — is that American foreign policy needs rethinking from the ground up.

The first good news is the choice of Les Aspin as secretary of defense. Mr. Aspin, for years the Democrats' shadow secretary of defense, is a serious foreign policy thinker.

Mr. Clinton is reaching for a steady hand to fend off crises, to keep the world at bay while he tinkers with the economy. This is a far cry from the "courage to change," the grandiloquent promises of a new foreign policy for a new age that characterized his campaign and that he repeats even now.

The other good news is the choice of James Woolsey for CIA. In the early '80s Mr. Woolsey was one of the few Democrats who refused to join the general swoon for the nuclear freeze.

Two first-rate thinkers. That is the good news. The bad news is that the CIA and the Defense Department are not where new foreign policies are born.

NAFTA — is a meaningful act. In dealing with enemies, however, signing paper can be worse than worthless. Iraq, for example, signed the Nuclear Nonproliferation Treaty. At least twice a year, it was inspected by the International Atomic Energy Agency.

The proliferation of weapons of mass destruction. The temptation is great — George Bush succumbed to it, too — to pretend to deal with the problem by codifying ever more elegantly drafted international protocols.

Real arms control came as a result of signed agreements but of geopolitical defeat of the Soviet Union, which occasioned a burst of unilateral and bilateral talks in weapons.

Diplomacy is a part of foreign policy — a minor, instrumental part — not a substitute for it. If Mr. Clinton's State Department is going to be a department of talking, let's hope that the rest of his team will supply the thinking.

Washington Post Writers Group.

Beware the Flying Sparks of a Wider Balkan War

By John K. Cooley

NI COSIA — The UN Security Council's decision to send more than 700 peacekeeping personnel into Macedonia and Greece's determination not to recognize the former Yugoslav republic or to allow its fellow EC members to do so unless it drops that name portend new dangers in an old Balkan flash point.

At best, the United Nations hopes to head off the spread of the expected explosion between Serbia's minority rulers and their 80 percent majority of Albanian subjects in the Kosovo enclave, bordering on Macedonia.

In order to head off such a scenario, the West needs to understand some history. That history is tightly linked to one of modern Europe's oldest, most potent terrorist groups, the Internal Macedonian Revolutionary Organization, or IMRO.

The organization's violent past is only one reason for Greek refusal to accept that "Skopje" — as the Greeks prefer to call the republic since it declared independence from the old Yugoslavia in 1991 — should call itself "Macedonia."

As anyone from President Constantine Karmanlis on down to Athenian taxi drivers will explain, Macedonia was Greece's ancient northern province and is still that today.

Skip the centuries of conflict — Greeks vs. Slavs; Slavs vs. Turks, and Turks vs. almost everyone else — between Alexander the Great's time and now. Focus instead on the 1890s. Turkey then ruled much of what is today both Greek and ex-Yugoslav Macedonia.

To fight the ruthless Turkish occupiers, in 1893 a Slav schoolteacher named Gotze Delcheff created IMRO. What began as a cultural-nationalist club soon became an underground terrorist organization bent on driving out the Turks, but also targeting Greeks, Albanians and others in the name of a free "Macedonia."

By 1901, when IMRO thugs bombed the then Turkish-occupied Greek port of Salonica and kidnapped an American woman missionary for ransom, IMRO had divided into two tendencies. One wing favored Bulgaria's takeover of most or all of Macedonia, Greek and Slav.

Bulgaria, siding with Hitler, occupied and brutalized a large strip of northern Greece after the victorious Germans had raised the Nazi swastika over the Acropolis in Athens. As the war dragged to an end, a Greek Communist organization allied with IMRO helped ignite the 1944-49 Greek civil war.

IMRO violence helped keep Balkan fires burning through the wars and revolutions from 1912 to the 1930s. At first the Soviet Union encouraged IMRO and trained some of its leaders as Communists. But in 1934 Hitler proclaimed his struggle to revise World War I peace treaties and frontiers; this made Stalin drop revisionism, and, for a while, IMRO.

Like the post-World War I Yugoslav kingdom of Croat people, IMRO's Macedonians hated the Serbs and their hegemony. So IMRO and the

more cautious approach have some powerful politics on their side. No one can expect on government if half the population has no jobs because state-owned enterprises are removed from government subsidy and shut down.

Be tolerant of imperfections in their reforms. Don't measure success by whether they transplant exact replicas of American institutions and practices.

These people are simultaneously dismantling deep-rooted institutions and beliefs while they build new and unfamiliar ones. The end product may not be political and economic models that Thomas Jefferson and Milton Friedman would admire, but don't let the theoretically perfect become the enemy of the good — and the politically possible.

Our objective should be to have the reform horse finish the race, even if it takes more than one jockey, a circuitous route and a generation to get there.

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Diplomacy is a part of foreign policy — a minor, instrumental part — not a substitute for it. If Mr. Clinton's State Department is going to be a department of talking, let's hope that the rest of his team will supply the thinking.

Washington Post Writers Group.

Discharge: Dishonor For Bush

By Anthony Lewis

BOSTON — Government officials may violate the law whenever they believe that their actions are good for the country.

They were motivated by "patriotism," Mr. Bush said. So it did not matter that what they did conflicted with judgments reached through the American constitutional process.

Compassion for Caspar Weinberger would have been an acceptable basis for a pardon. But Mr. Bush deliberately broadened the ground to one that menaces the institutions of a country: whose political system is founded on law.

Mr. Bush's reason is the more troubling because the underlying governmental wrongdoing, Iran-contra, was so serious. It was a calculated assault on the constitutional balance of power, far worse than Watergate's cover-up of a political burglary.

In 1985 and 1986 President Ronald Reagan approved the sale of arms to Iran as a trade, it was hoped, for American hostages. The sales violated the Arms Export Control Act, which forbids arms sales to countries that foster terrorism — as Iran did.

And the president was obliged by law to notify Congress of the arms shipments. He did not.

Then the proceeds of the sales to Iran were used to arm the contra fighting Nicaragua's Sandinista government. Congress in 1984 had forbidden aid to the contra.

Mr. Reagan's CIA director, William Casey, reportedly used the Iran-contra operations to plan an off-the-shelf covert action system free from the legally required scrutiny of congressional intelligence committees.

Those actions together represented an assertion of absolute presidential power in foreign policy, above the law. They marked, I think, the boldest attempt in America's history to establish in the White House the Royal Prerogative exercised by King George III.

Critics of the prosecutions brought by the independent counsel Lawrence E. Walsh say the proper remedy for all this was to impeach President Reagan, not to alter his subordinates.

The difficulty with that argument is that Mr. Reagan and his subordinates carried out their illegalities in secret. It is hard for Congress to consider impeachment when the damning facts have been concealed, and the subordinates lie about them when questioned.

Without great public outrage over the Iran-contra affair, Mr. Walsh was subject to partisan attack. His work was also hobbled by the Justice Department, which repeatedly raised dubious claims of secrecy to deny him evidence, and the Court of Appeals for the District of Columbia, dominated by Reagan and Bush appointees, made extreme interpretations of the law to throw out convictions he obtained.

The pardons leave Mr. Walsh without recourse to undo the Iran-contra cover-up. But he still has one power and duty: to write a final report laying out what he knows about the cover-up — and George Bush's role in it.

George Bush was hurt politically by his pardon of Mr. Nixon. But that reputation has recovered since, I think, because people recognize that he was trying honestly, if mistakenly, to put an episode behind us — without any desire to warp the constitution.

The Bush pardons are very different. He used them to introduce a dangerous constitutional doctrine, and very likely to protect himself from the consequences of his repeated false statements that he was out of the Iran-contra loop.

The pardons have about them, in fact, the distorting, self-justifying air of Richard Nixon. They remind us that Mr. Bush was a creature of Mr. Nixon's, his appointee to various jobs, a defender of Mr. Nixon to the last moment of Watergate.

George Bush had hoped to go out in these last days, as a Byrdian resignation, as a man of honor. The pardons, and the reason he gave for them, end that possibility.

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Gladstone at 83

LONDON — This [Dec. 29] is Mr. Gladstone's eighty-third birthday. That at such a great age he should still be Prime Minister of the United Kingdom is a unique fact in Parliamentary history, though several of his political contemporaries have been exceptionally long lived.

Mr. Gladstone is not only Prime Minister, but he has a record of some sixty years of public life, having made his maiden speech in the House of Commons in presenting a petition for the abolition of slavery in 1833. He is yet hale and vigorous, with a most remarkable capacity for work.

1917: Terms of Peace?

LONDON — The "Daily Express" publishes what it declares to be an outline of the view held in high political circles in this country concerning the German peace terms. It says: "Two things are known here — 1. That Germany does not want a separate

peace with Russia. She wants a general peace; 2. That Germany fears the Bolshevik influence. She is afraid of its effect among the German working class. The authorities here are aware of the privations which are embittering large sections of the German population against prolongation of the war."

1942: A Post-War Plan

WASHINGTON — [From our New York edition:] Vice-President Henry Wallace commemorated tonight [Dec. 28] the eighty-sixth anniversary of Woodrow Wilson's birth with an address which illuminated the developing policy of the Roosevelt administration as to the post-war world. He declared that the United States must provide a job for every one after the war as a matter of national policy, and that the United Nations must exercise post-war "psychological disarmament" on Germany and Japan, supervising their school systems to remove the poison from the minds of the young. He did not mention Italy.

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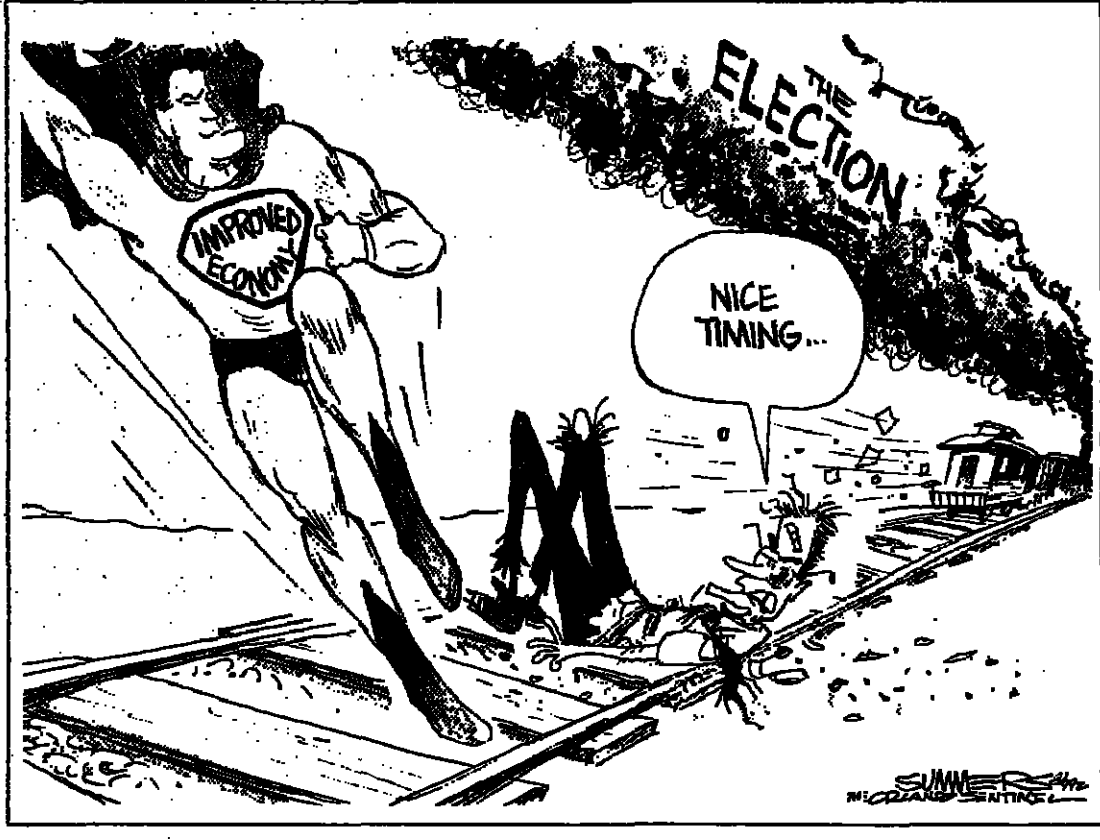
OPINION

'Christmas Eve Massacre': Motives, Zigzags and More

By William Safire

HARPERS FERRY, West Virginia — George Bush's "Christmas Eve massacre" of the Iran-contra prosecution has been treated as a single event, motivated either by compassion for presidential loyalists or a need to shut down deeper inquiry. That is a mistake. The pardons rounded out a trio of decisions about independent counsel made in the last two weeks. The key figure in each was C. Boyden Gray, the White House legal counsel. To deduce the pattern, we must grasp three relationships. First, President Bush treats Mr. Gray like a son and trusts him totally. No person has been as close in the final days. Second, Mr. Gray has had a four-year feud with James Baker, a competing confidant. It was Mr. Gray, to distract attention from his own conflict of interest, who exposed Mr. Baker's bank holdings and forced him to sell. In the recent campaign, Mr. Gray was irked at Mr. Baker's slowness to take charge and quickness to distance himself from looming defeat. Third, William Barr, the 42-year-old attorney general, became acquainted with Mr. Bush in his 20s, when he served as one of his aides in the CIA; he was then taken under Mr. Gray's wing and owes his current lofty position to Mr. Gray's sponsorship. A loyal order-follower, Mr. Barr makes no major decision without a nod or wink from his mentor. With that background, consider the three interrelated decisions on independent counsel: First, despite demands from both Judiciary committees and an obvious conflict of interest between the Justice Department and the CIA, Mr. Barr broke precedent and refused to seek independent counsel in the Iraqgate scandal. In-

stead, he handpicked a whitewasher who dutifully filibustered past the election, ultimately condemning Congress for the arms buildup of Saddam Hussein. Just before the special-prosecutor act expired, Mr. Barr insisted that such an appointment would undermine career officers in the department's criminal division. Second, on the day before the act was to end, under no pressure from press or Congress, Mr. Barr suddenly reversed field about his criminal division's capacity: He found evidence of sufficient credibility (I suspect at Mr. Gray's behest) to seek genuinely independent counsel in the case of the State Department's search of Bill Clinton's passport files. State's tawdry invasion of privacy was not in the same league of criminality as Iraqgate's sustained lying to Congress and obstruction of justice, yet it rated the hated special prosecutor. The court panel was ready with Joseph deGonzaga because it had screened him for the expected Iraqgate appointment. (He had a conflict.) Third, as the arms-for-hostages scandal threatened to involve Mr. Bush more deeply at the Caspar Weinberger trial, Mr. Gray took Mr. Barr's Justice pardon drossier to the president; on Christmas Eve, the independent counsel's Iran-contra case was effectively shut down. Follow the Barr-Gray zigzag: "No" to investigating major Iraqgate lying; "yes" to investigating minor passport file lying; "no" to further investigating arms-for-hostages lying. Why the moonisyncy? Answer: Only James Baker, not George Bush or Boyden Gray or William Barr, is vulnerable on the passport file case. Mr. Baker's longtime left arm, Janet Mullins, is the designated fall guy in the suspected lying. Margaret Turwiler, his right arm, will be targeted for complicity. Both women are likely to be granted immunity and squeezed to rat on their boss before a grand jury; because they are unlikely to perjure themselves, Mr. Baker is likely to be embarrassed at guilty knowledge of the misdemeanor of snooping but not prosecutable for lying to officials. Mr. Barr excluded a more serious invasion of privacy — the widespread operations-center telephone eavesdropping by lawless bureaucrats — in his surprise request for independent counsel. That is set to be quashed; the purpose of the passport-case appointment is to settle Mr. Gray's score with Mr. Baker while trying to draw attention away from the two scandals touching Mr. Bush. I have not been among Mr. Baker's ardent acolytes in the past dozen years, but he deserves the respect of a serious inquiry into major crimes of state rather than a light pop on a dirty trick. The ability of Congress to take truthful testimony has been challenged by the pardons. The reaction to the shutting down of Iran-contra should be the opening up of Iraqgate. The New York Times.



LETTERS TO THE EDITOR

Pardons for the Powerful

Shame on George Bush. This craven, crafty act mocks the dignity of the presidency. It is, of course, a direct descendant of Gerald Ford's pardon of Richard Nixon, done, we were told, in the name of national harmony. Pardons like these shield the powerful from prosecution. They tell the nation that its leaders are above the law. Will the nation answer back? EDWARD RAPP, Duras, France.

Here we go again. A departing Republican president has outrageously misused the transition period to stop criminal investigation of his close aides, indirectly barring public insight into his own apparent breaches of the constitution. Is it not high time to have laws that make such self-serving acts in the farewell period inoperative? A departing president should be too lame to duck! FREDRIK S. HEFFERMEHL, Oslo.

Charles Krauthammer states that Mr. Bush had no agenda and therefore, by definition, succeeded because he enacted nothing, which is exactly what he had proposed; history should thus look fondly upon him ("Don't Confuse the Voters' Verdict With History," Nov. 20). But did Mr. Bush actually promise nothing? I seem to remember four memorable items from his 1988 campaign that probably won him the election. Vice President Bush promised that he would be the environmental president and the educa-

tion president, that Americans would have a "kinder, gentler" nation and that there would be "no new taxes." Well, let's see: the environment worsened, the school systems are going downhill fast, crime is up and taxes were raised. JASON BECKERMAN, London.

Ends Don't Justify Means

In "Senator Asks That CIA Use Spying to Aid U.S. Industry" (Dec. 24), Dennis DeConcini says he is willing to change U.S. laws in order to allow such action. Just because other countries engage in such reprehensible activities is no reason to do the same. Is this the way America hopes to lead a new world order? IBRAHIM ALADWANI, Amsterdam.

A 'Shameful Attack'

We are outraged at the assault on the Babri Masjid at Ayodhya, India, an event we have feared for some years. We condemn unreservedly this desecration of an ancient mosque, and the destruction of part of our national heritage. We consider it a national disgrace. We denounce the failure of the central and state governments to anticipate the scale of the attack, and regard this failure as tantamount to complicity. We urge the civil authorities to initiate comprehensive criminal proceedings against the vandals in question and their political bosses. We deplore any tendency to divide society on sectarian lines and have wit-

nessed with dismay the escalation of communal tension in recent years. Ayodhya is not a religious dispute, but a struggle between the secular, tolerant and liberal temper of India on the one hand, and fascist and sectarian fanatics on the other. We call upon all sections in India to restore and preserve communal peace, and to contain any further social threat resulting from this tragic and shameful attack upon our secular values. NALINI VITTAL and 14 graduate students from India in London and Norwich, England.

A Corps to Renew America

I have waited in vain to read of support for Stephen Ambrose's comments and his suggestion that President-elect Bill Clinton revitalize the United States through the creation of a modern Civilian Conservation Corps (Opinion, Dec. 1). The parallels between 1992 and 1933 are such that Mr. Clinton would have everything to gain and nothing to lose. As noted by Mr. Ambrose, the infrastructure necessary to establish a corps exists. The estimated cost of less than \$1 billion, for a 1-million-volunteer corps, is a bargain, considering the benefits. Imagine: One million jobs within a year, plus thousands of jobs in the private sector to provide equipment, materials and services in support of the corps' needs. A possible and most welcome by-product may be that a generation would learn respect for the nation they help to rebuild. R. MAXWELL FISH, Sevan, France.

We Walked Down the Hall Toward a Light We Know

By Alison Davis

CHICAGO—I used to think of sending out Christmas cards as an entirely pleasant exercise. I've enjoyed how this yearly accounting of the who's who in one's life yanks different people and events up from out of the past. But lately there's been an edge to the process. Three years ago I sent out 175 Christmas cards from our emptied house in Chicago. We were about to move to London, and I was keen to get them out before we left. One of the 175 went to my friend Edith.

MEANWHILE

concerning that I'd evidently known someone well enough to send her a Christmas card, but not well enough to know that she wasn't alive to receive it. And it was particularly upsetting that that someone was Edith. The two of us met for a time, in one place: the fourth floor of the umpteenth wing of the University of Chicago hospital. My half-corpsed of a roommate wasn't long on conversation, so I got talking with my neighbor Edith. Within a few days I'd become a sort of stopper in her doorway.

Feeling up to it for a time, Edith and I went to walk the halls. We joined the repairers of televisions and deliverers of flowers; the dieticians and pharmacists; the patients on gurneys and in wheelchairs; the concerned family members and hospital policymakers; the men and women ordained by God, or medicine, or both. We passed lab-caves, hospital beds, lecture halls. We toured this city and wondered aloud about its citizens. At night there was less to observe and obstruct, and it was then that we talked about the things that had brought us to this place, those diseases that had invaded our bodies and clutched at us. It had been more than a few years for each of us. We covered other topics, certainly—books read and unread, summers in Wyoming, the men who did or did not exist in our lives. But we always drifted back, at night, to what was a mutual telling of things that only one or two people in each of our lives would ever hear. What was said belonged to Edith and me and those corridors. It does still.

Per our cocktail party composites, she was a spinster secretary who lived with her father and brother in the suburbs, and I was a married, overambitious editor who went to all the correct films and restaurants. But it was as if the composites had been hung somewhere out on the horizon line. What was left was an inner skin, covered in the same hospital gown, who completely understood. When I left the hospital, Edith and I promised to keep in touch. We visited each other on subsequent hospital

stays, but only once did we get together on the outside. We were to go to lunch on a Sunday, and with the help of a map, I drove out to her house to pick her up. Inside, it was Sear's catalogue, 1950; no Crate & Barrel or Laura Ashley here. Lots of anti-macassars at the tops of well-used armchairs. People seemed to be padding around in old cardigans holding books. The air felt wedged-in.

Outside the hospital, the differences came to Edith. Edith was in church while I was sleeping off Saturday night. She wore her cat-eye glasses for real; I wore them as a vintage-clothing accessory. She was as uncomfortable being out in the city at night as I was being by myself at home. Our phone calls started to dwindle, and Edith faded away behind the boundaries of a smug urban purview. My soulmate of the corridors became an entry on my Christmas card list.

Chance sets us down beside an inner skin and allows us to walk together for a time. Then we are dispensed back into our lives, composites come down off the horizon line, and some not-so-hip glasses and strands of tallow fall between. But one remembers the other, a half-hour's drive and a world away.

What struck me more than anything else about Edith, then as now, was that she never watched television, even in the hospital. I recently read that the average American spends two hours a day in front of the box. So Edith gave herself 14 more hours a week to read and paint, and ride her horse, and breathe out her life.

When Edith died we hadn't been in touch for more than a year, except by Christmas card. I hadn't known that she'd been battling the Big C. Her brother wrote that she'd wanted only a few people to know, even at the end. Dignity and holdness knew her well.

Christmas leaves its lights in our heads. As we grow older, our memories collect more and more of them—and eventually thousands of pointed lights; go blazing in there. But in my mind these last years and Christmases have been another kind of light, one apart. It's at the end of a corridor, and two people are walking toward it. They are pushing IV poles over linoleum, heads bent in conversation, making their night dance.

Alison Davis is a free-lance writer living in Chicago. She contributed this comment to the International Herald Tribune.

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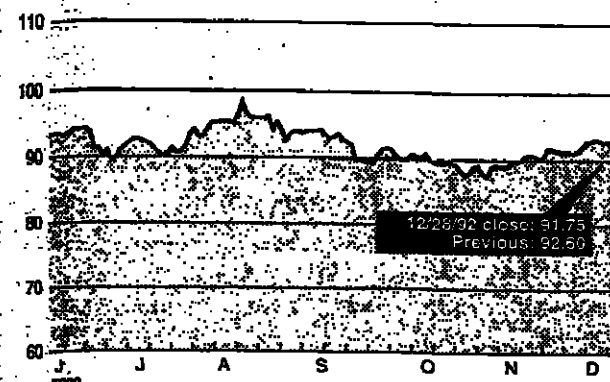
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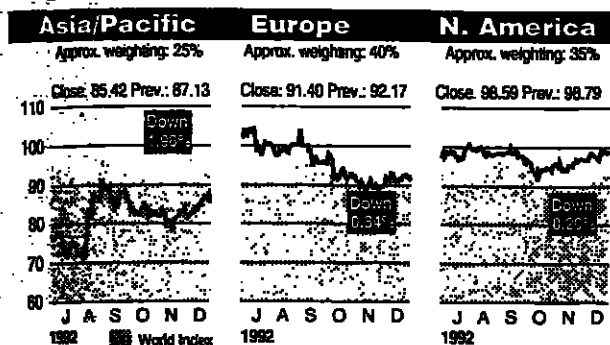


THE TRIB INDEX: 91.75

International Herald Tribune World Stock Index of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.



Region	Close	Prev.	% Change
Asia/Pacific	85.42	87.13	-1.97
Europe	91.40	92.17	-0.84
N. America	96.59	98.79	-2.24

Industrial Sector	Max. Close	Prev. Close	% Change
Energy	92.48	92.84	-0.39
Utilities	85.74	87.56	-2.07
Finance	94.02	95.58	-1.62
Services	102.16	103.17	-0.98
Capital Goods	92.04	92.60	-0.60
Raw Materials	92.64	93.07	-0.46
Consumer Goods	93.56	94.04	-0.51
Miscellaneous	93.60	94.23	-0.66

For more details more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

Why Do U.S. Purse Strings Loosen?

By Robert D. Hershey Jr.
New York Times Service

WASHINGTON — Even before the holiday shopping season, America's mighty army of retail consumers had begun to loosen its grip on purse strings and wallets — parting with \$165 billion in November alone.

But as merchants bask in what for many was the best Christmas in several years, economists are still trying to piece together just where these shoppers are getting the money: from higher incomes, by borrowing or by drawing from savings or other assets? The answer could well determine the health of the economy in the months to come.

Consumer spending on retail goods, rent and other services accounts for two-thirds of the economy, but despite huge volumes of data collected by the government and private sources, a definitive answer has not yet been found to where the money is coming from. And economists are offering diametrically opposite forecasts for the months ahead.

Some, like Irwin L. Kellner, chief economist for Chemical Bank Corp., say they are optimistic, believing the holiday surge bodes well for the economy. "I'm very hopeful that it can be sustained," he said, citing substantial recent growth in wages and sal-

ries. "It's no surprise it's a great holiday shopping season."

But many other analysts are more pessimistic.

"In essence, consumers have been spending more than they are taking in, implying that in early 1993 they will be forced to retrench," said Gordon Richards, economist.

Where the money is coming from will determine the economy's direction.

For the National Association of Manufacturers. "It is important not to be lulled into a false sense of complacency by the apparently buoyant Christmas season."

And economists are offering diametrically opposite forecasts for the months ahead.

Manufacturers Deal Finance Subsidiaries Out

By Michael Quint
New York Times Service

NEW YORK — Some of the best-known names in American industry are coming to the same conclusion: They are better off concentrating on their core businesses and giving up their finance-company subsidiaries.

The methods and reasons for leaving the credit business vary. But in many cases the original goal of helping customers buy the parent company's products no longer seems to justify the investment needed to stay in the business and compete with other lenders.

In recent weeks:

- Westinghouse Electric Corp. announced that it planned to liquidate its troubled credit subsidiary.
- American Telephone & Telegraph Co. said it planned to sell 15 percent of its heating and air conditioning unit to the public and operate it as a stand-alone company.
- Eastman Kodak Co. sold its finance subsidiary, with \$1 billion of assets, to General Electric Capital Corp.

Chrysler Financial Corp. said it would sell to Nationsbank most of its Chrysler First subsidiary, which makes consumer loans and finances merchants' inventories.

The time is right for finance companies to change hands, analysts said, because weak loan demand has made many banks eager to grow by acquiring finance companies. At the same time, low short-term interest rates have made many finance companies more profitable and easier to sell.

Gary C. Wendt, president of GE Capital, said, "Manufacturers all over the world are facing an increasingly competitive market — and that is causing them to take a fresh, hard look at how they should allocate their resources."

Hundreds of companies have farmed out to GE Capital the business of helping merchants change hands, analysts said, because weak loan demand has made many banks eager to grow by acquiring finance companies.

A look at the government numbers for the various gauges of the consumer's financial position is instructive, though hardly conclusive. But the figures do suggest that incomes are rising, that a newly confident consumer is once again taking on debt and that households are also pulling money out of savings.

In short, today's spending is being fueled by all three sources, but with little agreement to be found about their relative importance or future course.

"It's coming from a surprising source — incomes earned from employment," Mr. Kellner said when asked the source of consumer wherewithal. The number of new jobs may be "microscopic," he added, but the people who have jobs are working longer hours, and hourly wages are apparently going up even faster.

Susan M. Sterne, a consultant in Stowe, Vermont, whose specialty is consumers, concurs with this analysis of incomes and notes that borrowing is up as well.

After falling every month from February through August, consumer installment debt rose in October for the second straight month and probably advanced in November and December. And credit-card issuers report

China Slashing 400,000 Jobs In Coal Industry

By Nicholas D. Kristof
New York Times Service

BEIJING — China has laid off 100,000 coal workers and will lay off hundreds of thousands more in the coming years as part of a broad effort to modernize its energy industry, an official report said Monday.

The layoffs suggest that the Communist Party is finally grappling directly with the enormously complex and painful problems of industrial restructuring. In the past, the government resisted such layoffs for fear of provoking worker unrest — the same kind of anxieties and outrage that erupted in Britain in October when the government there proposed laying off 30,000 coal miners.

The Communist Party sees the problem the same way that the Conservative Party perceived it in Britain: Some mines are not economic to operate at present prices.

The official China Daily said that China National Coal Corp., a state-owned conglomerate that employs 3 million people, in 1993 alone would close 30 inefficient mines and lay off 30,000 miners and 70,000 workers in related jobs.

The newspaper said the company planned to reduce the number of its coal workers by 400,000 by the time the current five-year plan ends in 1995. The report added that another major state-run coal company, which it did not identify, also planned "massive layoffs to increase efficiency."

The China Daily also said that 100,000 coal workers already had been laid off, although it did not say when this happened. It said most had found jobs elsewhere.

The Energy Ministry refused to comment Monday. The coal corporation directed inquiries to Fan Enli, director of policy research, who said that the article in China Daily was premature and should not have been allowed to be published.

"We'd like to do these things," Mr. Tan said, referring to the prospective layoffs for 1993 and beyond. "But first we need approval. In January, the company will hold a conference to decide whether to go ahead with these plans."

In China, if a conference is called to debate a topic, that usually means that the aim is to build a consensus and legitimacy for a decision that has already been made.

State-owned corporations like the coal company have been a headache for China's leaders. While the overall economy is booming at a 12 percent growth rate, these corporations are a drain on the state treasury.

With a triple-A credit rating, GE Capital can borrow more cheaply than most other companies, and its size allows it to invest in the teams of auditors and expensive computer systems needed to keep tabs on tens of thousands of loans.

At Eastman Kodak, the sale to GE Capital of its credit subsidiary, which financed copiers and equipment used to make electronic images of written documents, was part of the same piling back that led the company to hire International Business Machines Corp. to manage its data processing.

The credit subsidiary was very profitable, but Robert T. Hamilton, a vice president of Eastman Kodak, said it could not match GE's financial strength and flexibility.

Gerber Scientific Inc., a South Windsor, Connecticut, company that makes computer-controlled cutting equipment used to manufacture automobile interiors, signs and garments, sold its credit business, with \$18 million in assets, to GE Credit earlier this year

in a sale that is typical of many companies. "We got into the finance business four years ago because the recession was creating a situation where banks were not willing to lend to our customers," said Peter J. Russo, treasurer of Gerber Scientific.

But with the economy improving and interest rates low, he said, Gerber Scientific would "let GE do what it does best, while we concentrate on sales and product improvement."

Analysts noted that two giants of the finance industry, General Motors Acceptance Corp. and Ford Motor Credit Corp., long ago outgrew their origins as lenders to car dealers and car-buying consumers. Both make a variety of loans now.

Selling some nonessential businesses might let the two auto finance companies improve, or at least stabilize, their credit ratings and leave them more leeway to grow by offering low-cost auto financing to car dealers and consumers.

INTERNATIONAL STOCKS

Model Economy of Chile 'A Solid Long-Term Buy'

By Nathaniel C. Nash
New York Times Service

SANTIAGO — Deep economic change has been wrought throughout Latin America — governments have created balanced budgets, low inflation and real growth, replacing deficits, hyperinflation and recession. No country has produced more change and more results than Chile. Analysts tout Argentina for its privatization program and Mexico for its free-trade agreement with the United States, but Chile is the model of reform and stability.

Began in the early 1980s under the rule of General Augusto Pinochet, free-market reforms have been continued by the civilian government of Patricio Aylwin.

Housing Minister Alejandro Foxley announced last week that 1992 would be the country's best year in three decades, with 10 percent real economic growth, 4.5 percent unemployment, a 5 percent increase in real wages, 13 percent inflation and a 19 percent investment rate. He also said the country had lifted about 700,000 people out of poverty.

Thus, it is not surprising that the Chilean stock market has risen more than 22 percent this year, when other markets in what are now known as emerging nations have fallen by as much as 50 percent.

"The Chile play is one of high growth and stability," said José Miguel Barros, director of the brokerage firm Larrain Vial SA, who added that Chile's market was considered more a mature market than a speculative emerging one. "People who invest here are betting that Chile will be a developed country in 15 years," he said.

But it has not been an entirely smooth year. During the first half of 1992, foreign investment flooded the country, growth averaged more than 11 percent and the market soared 24 percent. Such a heated economy needed adjustments, and the stock market reflected some of that uncertainty in the second half of the year.

To keep growth in check and inflation down, the central bank raised interest rates. Investors left the market, worrying that the government would cut electricity rates and hurt the profitability of energy companies. Also, pension funds sold some of their holdings to avoid overconcentration. These factors tended to depress prices after July, but since November, share prices have recovered much

Since 1990, the 40 largest stocks are up almost 400 percent.

See SANTIAGO, Page 13

Bundesbank Renews Statements of Support For the French Franc

Compiled by Our Staff From Dispatches

PARIS — Belying the holiday calm on the foreign-exchange markets, the Bundesbank vice president, Hans Tietmeyer, defended the parity between the Deutsche mark and French franc on Monday even as a French academic argued for letting the franc float.

Separately, a Bundesbank council member and the chairman of the German government's council of economic advisers spoke optimistically about the prospect of a fall in German inflation and interest rates, the main cause of speculative tension in Europe's currency grid.

Mr. Tietmeyer, in an interview with the French daily Le Quotidien de Paris, said the recent pressure on the franc stemmed not from economic problems but from a debate within the French opposition on whether to abandon the strong franc policy after national elections in March.

"I hope this debate in France on the strong franc will soon be over," he was quoted as saying. Mr. Tietmeyer said he was pleased former President Valéry Giscard d'Estaing and former Finance Minister Edouard Balladur — tipped as possible future prime minister — had clearly said they favored continuing the strong franc policy.

He also said France's economic fundamentals were strong, citing its low inflation rate, competitiveness and balance-of-payments surplus.

France's external trade minister, Bruno Durieux, also defended the strong franc policy, telling Le Figaro newspaper that France would win the lasting confidence of the currency markets and a large degree of freedom in setting its interest rates if it maintained its policy.

But in the same newspaper, Florian Aftalion, a professor at the Ecole Supérieure des Sciences Economiques et Commerciales, said allowing the franc to float now "would provide some relief to industries being throttled."

He said if a floatation were combined with a tough policy against inflation, the franc would probably regain its value against the mark eventually because inflationary pressures were rising in Germany.

In Germany, meanwhile, the Bundesbank council member for Bavaria, Lothar Müller, said inflation in Western Germany was likely to slow in 1993, and that a slowdown in money supply growth should allow the Bundesbank to slowly cut interest rates in the longer term.

In Bonn, Herbert Hax, chairman of the advisory panel known as the five wise men, said the Bundesbank might begin lowering rates soon.

"The chances for this are good," Mr. Hax said in an interview with the Berlin daily Tagesspiegel. "Lowering interest rates is possible and desirable as soon as the pressure on prices eases." (Reuters, AFP)

Japan Posts Record November Surplus

Compiled by Our Staff From Dispatches

TOKYO — Japan's current-account surplus grew nearly 50 percent in November from a year earlier, official figures showed on Monday, and economists said it would continue to widen as long as an economic slowdown suppressed imports.

The Ministry of Finance said Japan's surplus of \$10.45 billion in its current account, the broadest measure of trade in goods and services, was the largest ever for the month of November, although still below the record \$13.796 billion posted in March 1992.

In November 1991, the country recorded a surplus of \$7.05 billion.

"We do not see any significant change in the trend in the trade surplus," said an economist at Nikko Research. "We see the uptrend continuing as long as the sluggish Japanese economy pulls imports down."

Economists agreed that the surplus would keep widening until Japan's economy recovers and the country's domestic demand and imports pick up. But they doubted that would happen until the second half of 1993 at the earliest.

The government recently revised downward its estimate of Japan's

drive will help widen Japan's trade surplus even more sharply after Jan. 1 than in November.

Trade in services swung into the black in November for the first time since March, with a \$1.15 billion surplus, the ministry official said.

This was because Japanese banks improved their position by paying less interest abroad while creditor banks in Japan received large payments from debtor nations such as Brazil, he said.

In addition, fewer Japanese traveled abroad, narrowing the deficit in the tourism account.

The growing surplus is expected to be the target of continuing attacks by other countries, especially the United States. "It could be a political issue in bilateral talks," a finance ministry official acknowledged in releasing the figure at a news conference. (Reuters, AFP)

The upward trend is likely to continue as a weak economy crimps imports.

economic growth for the current fiscal year to 1.6 percent, from an earlier forecast of 3.5 percent.

The expansion in the current-account surplus reflected a jump in both the trade surplus and the surplus in services, a finance ministry official said.

Japan's trade surplus widened to \$9.65 billion in November from \$8.46 billion a year ago, but de-

Exports expanded at a slow pace in November because manufacturers were using up this year's export quotas for the U.S. and European markets, the economist at Nikko Research said.

"After Jan. 1, they will be allowed fresh quotas so we shall see Japan's exports showing a larger increase again," the economist said. "That and a weak import

CURRENCY & INTEREST RATES

Currency	30-day	60-day	90-day	180-day	360-day
British pound	1.5100	1.5100	1.5092	1.5084	1.5076
French franc	1.6375	1.6375	1.6367	1.6359	1.6351
German mark	1.4831	1.4831	1.4823	1.4815	1.4807
Italian lira	1.3660	1.3660	1.3652	1.3644	1.3636
Japanese yen	163.80	163.80	163.72	163.64	163.56
Swiss franc	1.4831	1.4831	1.4823	1.4815	1.4807
U.S. dollar	1.0000	1.0000	1.0000	1.0000	1.0000

Country	Rate
U.S. 3-month Treasury bill	5.25%
U.S. 6-month Treasury bill	5.50%
U.S. 1-year Treasury bill	5.75%
U.S. 3-year Treasury note	6.25%
U.S. 5-year Treasury note	6.50%
U.S. 30-year Treasury bond	7.25%
U.S. 10-year Treasury bond	7.00%
U.S. 20-year Treasury bond	6.75%
U.S. 30-year Treasury bond	6.50%
U.S. 10-year Treasury note	6.25%
U.S. 20-year Treasury note	6.00%
U.S. 30-year Treasury note	5.75%
U.S. 10-year Treasury bill	5.50%
U.S. 20-year Treasury bill	5.25%
U.S. 30-year Treasury bill	5.00%

Currency	Rate
U.S. dollar	1.0000
British pound	1.5100
French franc	1.6375
German mark	1.4831
Italian lira	1.3660
Japanese yen	163.80
Swiss franc	1.4831
U.S. dollar	1.0000

Country	Rate
U.S. 3-month Treasury bill	5.25%
U.S. 6-month Treasury bill	5.50%
U.S. 1-year Treasury bill	5.75%
U.S. 3-year Treasury note	6.25%
U.S. 5-year Treasury note	6.50%
U.S. 30-year Treasury bond	7.25%
U.S. 10-year Treasury bond	7.00%
U.S. 20-year Treasury bond	6.75%
U.S. 30-year Treasury bond	6.50%
U.S. 10-year Treasury note	6.25%
U.S. 20-year Treasury note	6.00%
U.S. 30-year Treasury note	5.75%
U.S. 10-year Treasury bill	5.50%
U.S. 20-year Treasury bill	5.25%
U.S. 30-year Treasury bill	5.00%

Taiwan Now 'Developed,' Official Says

By Our Staff From Dispatches

TAIPEI — The vice economics minister, Chiang Ping-kun, says Taiwan will attain the status of a developed economy this year as its per capita gross national product rises above \$10,000 for the first time.

"We have reached the level of a developed nation," the semi-official Central Daily News quoted Mr. Chiang as saying in an interview published Monday. Per capita GNP was estimated to total \$10,196 for 1992, up from \$8,788 in 1991, when it was the world's 25th highest, he said.

Mr. Chiang said the structure of Taiwan's economy had changed drastically in the past six years with the expansion of capital-intensive and high-technology production.

As a developed nation, Taiwan will pour more resources into improving social welfare and the environment, he said.

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SPECIAL RESOLUTION
That the name of the Company be changed to "EBC Traded Currency Fund Limited".
CDR-holders are invited to give their voting instructions to the undersigned. If no voting instructions are received the depositary will vote in favour of the Resolution.
AMSTERDAM DEPOSITARY COMPANY N.V.
Amsterdam, 23 December 1992.

MARKET DIARY

Key Blue Chips Sap Mixed Market

NEW YORK — A late bout of computer-driven program buying gave blue-chip stocks a gain Monday, with the overall stock market ending mixed.

The Dow Jones industrial average, much of the pressure on the overall market came from declines in three key issues: American Telephone & Telegraph Co., International Business Machines Corp. and Minnesota Mining & Manufacturing Co.

The Dow industrials rose 7.02 points, to 3,333.26. The broader New York Stock Exchange was lower, however, with declining issues outnumbering advances by about a 10-to-7 ratio.

Volume was gaining at 143.80 million shares traded on the Big Board, partly reflecting bad weather conditions in the Northeast. It was ahead of the partial day's trading on Christmas Eve, when 95.24 million shares changed hands.

Coincidentally, IBM and AT&T each fell 1% to 51 1/2. IBM was trading near a 17-year low on concern that it would trim its dividend as part of its restructuring.

AT&T weakened after a fund manager told a television reporter that the stock could fall from its current level to \$45 a share.

3M fell 1/4 to 102 1/2 on concern that its 1993 earnings may not live up to previous expectations.

Besides the declines in the three well-known blue chips, the overall market was mixed.

markets were depressed by evidence that retail sales rose during the Christmas season. This implied economic growth that would translate into upward pressure on interest rates.

The bellwether 30-year Treasury bond fell 15/32, to 102 23/32, missing its yield to 7.40 percent from 7.36 percent last week.

Glaxo Holdings was the most active issue on the New York Stock Exchange, continuing to slide after critical research reports from two brokerage houses last week that raised doubts about its earnings prospects.

Novell led the over-the-counter actives, edging up 3/4 to 27 1/2. The stock has been active since it said last week it would buy AT&T's Unix Systems Laboratories Inc.

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Tension Over Iraq Underpins the Dollar

NEW YORK — The dollar rose Monday on heightened tension in the Gulf and optimism about the relative strength of the U.S. economy.

The dollar closed at 1.6205 Deutsche marks, up more than 2 pfennig from 1.5995 DM on Thursday.

The U.S. currency rose to 134.900 yen, from 123.945 yen, to 146.75 Swiss francs, from 144.95, and to 5.5225 French francs, from 5.4525.

The pound ended at \$1.4980, down from \$1.5275. The dollar was buoyed by news that American aircraft on Sunday shot down an Iraqi jet that ventured into the UN "no-fly" zone covering southern Iraq, and that the aircraft carrier Kitty Hawk was heading for the area.

Investors of a safe haven in times of political or military turmoil.

The Iraqi news is a factor to the extent that there's nothing else going on," said Carl Amendola, assistant vice president at Bayerische Hypothek- & Wechsel Bank.

"Since the Schlesinger comments we've been moving up slowly but surely," a corporate trader at Banque Indosuez said.

Though investors may have read too much into Mr. Schlesinger's remarks, "the groundwork is being set for a rate cut, which we expect by February," said Mr. Chandler at IDEA.

that in such a thin market moves were exaggerated.

Traders and analysts suggested that for just that reason, it should not be assumed the dollar would maintain its rise on Tuesday.

"People are just looking for an excuse to buy the dollar," said Marc Chandler, senior foreign-exchange strategist at IDEA, a market consulting firm, referring to the Iraq news.

More important to the dollar's ascent in the longer term has been the growing optimism about the prospect for a German rate cut and a stronger U.S. economy in 1993, traders and analysts said.

Comments by Bundesbank officials and the approaching wage negotiations in Germany have reinforced the notion that the German central bank might be willing to ease credit sooner than many investors anticipated.

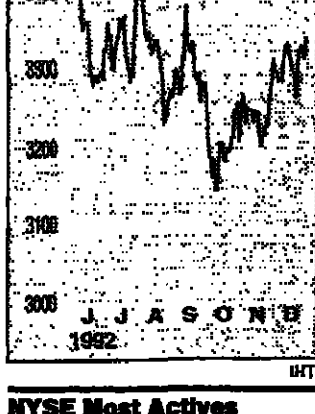
Bundesbank President Helmut Schlesinger has said he expected West German inflation "to move closer to a 3 percent rate" next year. That could eventually drive long-term interest rates below 6 percent, he said.

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The Dow

Daily closings of the Dow Jones industrial average



NYSE Most Actives

Table with columns: Vol., High, Low, Last, Chg. for various NYSE stocks.

AMEX Stock Index

Table with columns: High, Low, Close, Chg. for AMEX stock index.

NYSE Diary

Table with columns: Advanced, Declined, Unchanged, New Highs, New Lows.

AMEX Diary

Table with columns: Advanced, Declined, Unchanged, New Highs, New Lows.

NASDAQ Diary

Table with columns: Advanced, Declined, Unchanged, New Highs, New Lows.

Dow Jones Averages

Table with columns: Open, High, Low, Last, Chg. for Dow Jones averages.

Standard & Poor's Indexes

Table with columns: High, Low, Close, Chg. for S&P indexes.

NYSE Indexes

Table with columns: High, Low, Close, Chg. for NYSE indexes.

NASDAQ Indexes

Table with columns: High, Low, Close, Chg. for NASDAQ indexes.

AMEX Stock Index

Table with columns: High, Low, Close, Chg. for AMEX stock index.

Dow Jones Bond Averages

Table with columns: High, Low, Close, Chg. for Dow Jones bond averages.

Market Sales

Table with columns: NYSE adv. volume, NYSE adv. value, etc.

N.Y.S.E. Odd-Lot Trading

Table with columns: Buy, Sell, Short, etc. for odd-lot trading.

EUROPEAN FUTURES

Table with columns: Close, High, Low, Prev. Close for European futures.

Food

Table with columns: White Sugar, Coffee, Cocoa, etc.

Spot Commodities

Table with columns: Commodity, Today, Prev. for spot commodities.

U.S. Executives Bullish For First Half of 1993

NEW YORK — Executives at a broad range of U.S. businesses are fairly optimistic about the economy's prospects for improvement, according to a survey released Monday.

The Conference Board, a business-funded research organization, said a poll of about 500 top executives regarding the 1992 final quarter revealed that 70 percent believed the economy would improve in the coming six months while only 8 percent expected conditions to worsen.

The board's measure of business confidence edged down one point to 61, though a reading above 50 generally indicates "a surplus of positive responses."

"The current reading is still relatively high," said Jason Bram, an economist with the Conference Board. "Moreover, the latest survey returns were a bit more upbeat than earlier ones, suggesting a renewed upswing in confidence within the quarter."

Executives in all major businesses were hopeful about prospects for their own industries, with retailers and wholesalers in particular expressing optimism about the critical holiday shopping period.

Forty-three percent of those polled said conditions in their own industries had improved in the last six months. That is down from 48 percent in a survey conducted in the third quarter.

Oxy Sets Payout to Settle Suit

LOS ANGELES (Bloomberg) — Occidental Petroleum Corp. said Monday it had agreed to pay at least \$1 a share in annual dividends on its common stock through 1997 to settle a class action lawsuit.

The lawsuit alleged the oil company committed securities fraud by cutting its annual dividend to \$1 in January 1991, shortly after assuming shareholders the previous \$2.50 dividend it was paying was secure, said New York attorney Joe Weiss, who represented the shareholders.

The company has agreed to pay an annual common stock dividend through at least 1997 of 50 percent of the company's "recurring and sustainable" earnings if such earnings exceed \$2 a share annually. It also agreed to increase its dividend to 60 percent of "recurring and sustainable" earnings in 1996 and 1997 if such earnings do not exceed \$2 a share between 1993 and 1995.

The settlement is subject to final approval by the court, and declaration of future dividends will still be subject to Occidental's board of directors' "exercise of its fiduciary obligations and business judgment" as well as applicable laws and financing restrictions, the company said.

April Start for Chevron in Kazakhstan

NEW YORK (Reuters) — Chevron Corp. said Monday that it expected full-scale operations to begin April 1 at its joint venture with Kazakhstan in the Tengiz and Korolev oil fields on the Caspian Sea coast.

The company said intensive work during the last five months by joint working groups had resulted in agreement on all significant issues between the government of the republic and Chevron. The venture envisions potential peak oil production of more than 700,000 barrels a day by 2010.

Potlatch Expects Lower Earnings

SAN FRANCISCO (Bloomberg) — Potlatch Corp. said Monday that it expected fourth-quarter earnings below last year's level because of weak markets for paper products and operations problems at the company's plant in Lewiston, Idaho.

The company said the per-share figures for the fourth quarter would drop from the 35 cents it had in the year-earlier period. Potlatch would not estimate how much lower the earnings would be. The stock dropped \$2 to close at \$45 on the New York Stock Exchange.

Weaker markets and lower-than-expected sales of high-margin products are to blame for "substantially" lower earnings from Potlatch's printing and business-paper operations, the company said. And production at the Lewiston pulp and paperboard plant was down about 15 percent during the quarter.

Upjohn and Rohm Absorb Charges

KALAMAZOO, Michigan (Combined Dispatches) — Upjohn Co. said Monday it would take a total charge of \$224 million, or \$1.26 a share, in the fourth quarter to cover the adoption of new accounting rules.

Upjohn said adopting new rules to account for post-retirement benefits would result in a charge of \$237 million, which will be partially offset by a gain of \$13 million from new rules to account for income taxes.

Also, Rohm & Haas Co. said costs associated with the new accounting rules and charges related to its Philadelphia plant would reduce its after-tax 1992 profit by \$218 million, or \$3.29 a share. (A.F.X. Reuters)

Foreign Exchange

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SCANDAL: Kuwait's Cash Drain

(Continued from page 1)

with skill and freedom, largely in Western and Asian economies.

Ultimate management of the KJO, the tanker company and the banks rests with senior members of the ruling family.

Kuwait's new oil minister, Ahmad al-Baghi, who was appointed after the free parliamentary elections held in Kuwait a few weeks ago, was quoted in Kuwaiti newspapers Monday as saying that a review of commercial registers, accounts and billing practices has led to the "discovery of fraud" by former officials of Kuwait Oil Tankers Co.

Abdullah Roumi, who became chairman of the tanker company after the Gulf War, discovered a scheme whereby ships and oil storage space were privately chartered to senior officials, who resold the space to the public company they manage for fat profits, other Kuwait officials said in interviews.

According to accounts from senior officials of Kuwait's oil industry, Mr. Roumi personally reported these irregularities weeks ago to the Emir of Kuwait, Sheikh Jaber al-Ahmad al-Sabah. But the investigation started only when members of the new parliament pushed for it.

So far the largest financial irregularities involve the collapse over the past few months of the financial empire built by the Kuwait Investment Office in Spain under Grupo Torres SA.

Torres, a holding company, and two of its enterprises, the chemical group Ercros and the real estate developer Prima, have been placed under the Spanish equivalent of bankruptcy protection.

Grupo Torres's chairman, Mahmoud Nouri, said this month that the group realized losses of more than \$4 billion.

It is known that members of the Kuwaiti royal family also invested in the group, and the question is whether they saved their own investments at the expense of public Kuwaiti investment.

These developments follow other controversial steps taken by the previous government of Kuwait, which has committed nearly \$20 billion of Kuwait's savings to bail out the banks over bad loans.

Critics have argued that much of those loans were given to big businessmen and members of the royal family before the Iraqi invasion and are now using public funds to enrich themselves and gain forgiveness of their loans.

WORLD STOCK MARKETS

Table with columns: Country, Stock Index, Change, Previous for various world stock markets.

Markets Closed

Stock markets in London, Montreal, Sydney and Toronto were closed Monday for a holiday.

U.S. FUTURES

Table with columns: Season, High, Low, Open, High, Low, Close, Chg. for various U.S. futures.

TO OUR READERS IN BUDAPEST

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Weekend Box Office

LOS ANGELES (AP) — Jack Nicholson was a powerful draw at the box office over the Christmas weekend with "A Few Good Men" and "Hoffa." Following are the Top 10 moneymakers, based on Friday ticket sales and estimated sales for Saturday and Sunday.

- 1. "A Few Good Men" (Columbia) \$14 million
2. "Hoffa" (Warner Brothers) \$12.4 million
3. "Home Alone 2" (Warner Brothers) \$11.9 million
4. "The Bodyguard" (Warner Brothers) \$7.5 million
5. "Forever Young" (20th Century Fox) \$6.4 million
6. "The Untouchables" (Universal) \$5.2 million
7. "The Untouchables" (Hoffwood Pictures) \$4.2 million
8. "The Untouchables" (20th Century Fox) \$4 million
9. "The Untouchables" (20th Century Fox) \$4 million
10. "The Untouchables" (20th Century Fox) \$4 million

Commodity Indexes

Table with columns: Commodity, Index, Change, Previous for various commodity indexes.

Market Guide

Table with columns: Market, Index, Change, Previous for various market guides.

NASDAQ

Monday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	12 Month Low	Stock	Div	Yld	PE	12 Month High	12 Month Low
110	100	IBM	4.00	4.5	15	110	100
100	90	Microsoft	0.00	0.0	15	100	90
90	80	Intel	0.00	0.0	15	90	80
80	70	Oracle	0.00	0.0	15	80	70
70	60	Sun	0.00	0.0	15	70	60
60	50	HP	0.00	0.0	15	60	50
50	40	Motorola	0.00	0.0	15	50	40
40	30	Texas Instruments	0.00	0.0	15	40	30
30	20	Advanced Micro Devices	0.00	0.0	15	30	20
20	10	AMD	0.00	0.0	15	20	10

12 Month High	12 Month Low	Stock	Div	Yld	PE	12 Month High	12 Month Low
100	90	Alcatel	0.00	0.0	15	100	90
90	80	AT&T	0.00	0.0	15	90	80
80	70	WorldCom	0.00	0.0	15	80	70
70	60	Sprint	0.00	0.0	15	70	60
60	50	Verizon	0.00	0.0	15	60	50
50	40	Qwest	0.00	0.0	15	50	40
40	30	Level 3	0.00	0.0	15	40	30
30	20	Southwest	0.00	0.0	15	30	20
20	10	Delta	0.00	0.0	15	20	10
10	0	American	0.00	0.0	15	10	0

12 Month High	12 Month Low	Stock	Div	Yld	PE	12 Month High	12 Month Low
100	90	Boeing	0.00	0.0	15	100	90
90	80	Lockheed	0.00	0.0	15	90	80
80	70	Northrop	0.00	0.0	15	80	70
70	60	Raytheon	0.00	0.0	15	70	60
60	50	General Dynamics	0.00	0.0	15	60	50
50	40	Boeing	0.00	0.0	15	50	40
40	30	Lockheed	0.00	0.0	15	40	30
30	20	Northrop	0.00	0.0	15	30	20
20	10	Raytheon	0.00	0.0	15	20	10
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12 Month High	12 Month Low	Stock	Div	Yld	PE	12 Month High	12 Month Low
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90	80	Lockheed	0.00	0.0	15	90	80
80	70	Northrop	0.00	0.0	15	80	70
70	60	Raytheon	0.00	0.0	15	70	60
60	50	General Dynamics	0.00	0.0	15	60	50
50	40	Boeing	0.00	0.0	15	50	40
40	30	Lockheed	0.00	0.0	15	40	30
30	20	Northrop	0.00	0.0	15	30	20
20	10	Raytheon	0.00	0.0	15	20	10
10	0	General Dynamics	0.00	0.0	15	10	0

consolidate in a range of 3,000 to 4,000. The plunge in the local market has had virtually no impact on the rest of Asia. The Asian component of the International Herald Tribune World Stock Index fell about 2 percent on Monday, but was down only slightly from 86.22 on the eve of the Taiwan vote 10 days ago.

Brokers and analysts said the Taiwan market has been reeling because of charges of vote rigging on the eastern side of the island.

On Sunday, Huang Hsin-chieh, former chairman of the opposition Democratic Progressive Party, who missed winning a seat in the constituency where the improprieties

were alleged to have occurred by 62 votes, announced he would not take part in a new vote in the district. He claimed the result would still be rigged to insure a Kuomintang victory.

Mr. Huang's statement and plans for a demonstration in the contested district appeared to rule out a quick resolution of the dispute.

The stock-price plunge began last week after voters shocked the Kuomintang by dealing a decisive blow to its 47-year monopoly on political power. In the first fully democratic parliamentary elections since 1948, Democratic Progressive Party candidates won 31 percent of the vote, more than doubling the party's current share of seats in the

island's 161-member parliament, to 50.

That will allow opposition legislators a meaningful input in policy-making for the first time. But observers believe investors are much more concerned about the prospect of a split in the ruling party. Although the Kuomintang won 53 percent of the vote, many of its successful candidates and several winners who ran as independents came from a rump faction of the party at odds with President Lee Teng-hui, who is also the party's chairman.

"People run from the stock market because there is a possible clash between Lee Teng-hui and Hau Pei-tsun," said Ting Tin-yu, a consultant to the Gallup organization,

referring to Taiwan's prime minister who is considered head of the opposing faction. "I don't think it was result of DPP victory."

After decades of record economic growth under the Kuomintang, Mr. Ting and other analysts said, voters turned against the party to register disgust at a series of corruption scandals and its cozy ties to big business. But having seen the results, investors now worry about what the new political atmosphere will bring.

Investors are carefully watching to see how the Kuomintang will deal with split, first by deciding the fate of Mr. Hau and his cabinet early next year, and then by choosing new leaders at the 14th Party Congress set for late spring.

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TAIWAN: Ballot Box Surprise Puts Pressure on Island's Stock Market

(Continued from page 1)

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AMEX

Monday's Closing
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50	40	Qwest	0.00	0.0	15	50	40
40	30	Level 3	0.00	0.0	15	40	30
30	20	Southwest	0.00	0.0	15	30	20
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20	10	Raytheon	0.00	0.0	15	20	10
10	0	General Dynamics	0.00	0.0	15	10	0

12 Month High	12 Month Low	Stock	Div	Yld	PE	12 Month High	12 Month Low
100	90	Boeing	0.00	0.0	15	100	90
90	80	Lockheed	0.00	0.0	15	90	80
80	70	Northrop	0.00	0.0	15	80	70
70	60	Raytheon	0.00	0.0	15	70	60
60	50	General Dynamics	0.00	0.0	15	60	50
50	40	Boeing	0.00	0.0	15	50	40
40	30	Lockheed	0.00	0.0	15	40	30
30	20	Northrop	0.00	0.0	15	30	20
20	10	Raytheon	0.00	0.0	15	20	10
10	0	General Dynamics	0.00	0.0	15	10	0

12 Month High	12 Month Low	Stock	Div	Yld	PE	12 Month High	12 Month Low
100	90	Boeing	0.00	0.0	15	100	90
90	80	Lockheed	0.00	0.0	15	90	80
80	70	Northrop	0.00	0.0	15	80	70
70	60	Raytheon	0.00	0.0	15	70	60
60	50	General Dynamics	0.00	0.0	15	60	50
50	40	Boeing	0.00	0.0	15	50	40
40	30	Lockheed	0.00	0.0	15	40	30
30	20	Northrop	0.00	0.0	15	30	20
20	10	Raytheon	0.00	0.0	15	20	10
10	0	General Dynamics	0.00	0.0	15	10	0

12 Month High	12 Month Low	Stock	Div	Yld	PE	12 Month High	12 Month Low
100	90	Boeing	0.00	0.0	15	100	90
90	80	Lockheed	0.00	0.0	15	90	80
80	70	Northrop	0.00	0.0	15	80	70
70	60	Raytheon	0.00	0.0	15	70	60
60	50	General Dynamics	0.00	0.0	15	60	50
50	40	Boeing	0.00	0.0	15	50	40
40	30	Lockheed	0.00	0.0	15	40	30
30	20	Northrop	0.00	0.0	15	30	20
20	10	Raytheon	0.00	0.0	15	20	10
10	0	General Dynamics	0.00	0.0	15	10	0

12 Month High	12 Month Low	Stock	Div	Yld	PE	12 Month High	12 Month Low
1							

Tokyo Punishes Broker That Hid Client Losses

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Hong Kong Delays Airport Contract

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Taiwan Plans Chemical Plant With Saudis

Retreats TAIPEI — Saudi Arabia and Taiwan will invest \$360 million to build a chemical factory in their first major joint venture since diplomatic relations were broken in 1979.

Shenzhen Passes Laws Governing Real Estate

Agence France-Press HONG KONG — The legislature of Shenzhen has passed its first laws governing the special economic zone's real estate markets.

Investor's Asia

Table with columns for Hong Kong, Singapore, and Tokyo indices. Includes line graphs for each index and a summary table of market movements.

Very briefly:

- Taiwan's Mainland Affairs Council approved a plan to allow companies to make investments of under \$1 million in China without setting up subsidiaries in third countries.

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Large table of International Funds with columns for fund names, currencies, and performance metrics. Includes sub-sections for various regions and fund types.

SPORTS 1992

It Was a Fine Year for Americans

By Robert Kitson

The Queen of England may have hated 1992, but then she wasn't born in the U.S.A. In sports, at least, it was a year to sit back and enjoy the American dream.

For every U.S. legend who stepped aside, or in Mike Tyson's case inside, an alternative star seemed to surface. From Washington to Wimbledon, the script seldom wavered.

When Tyson went to jail, for instance, there was another big boy from Brooklyn, Riddick Bowe, in wait to become boxing's heavyweight champion.

John McEnroe and Jimmy Connors both reached their tennis sell-by dates, but new Wimbledon champion Andre Agassi and world No. 1 Jim Courier won three of the year's four Grand Slam tennis titles, and steered the United States to another Davis Cup crown.

The U.S. Masters champion, Fred Couples, dominated the first half of the golfing calendar. Kevin Young and Carl Lewis were arguably the track and field athletes of the year and A.P. Indy won horse-racing's richest prize, the \$3 million Breeders' Cup in Florida.

Even the Toronto Blue Jays' victory in baseball's World Series, the first time a team from outside the United States had won the sport's holy grail, was achieved without a single Canadian on the team.

Back in the boxing ring, there was also an unlikely Canadian subject to the stormy saga involving Bowe and British heavyweight Lennox Lewis.

Lewis, who from the age of 11 spent eight years on the other side of the Atlantic and won an Olympic gold medal for Canada, emerged as a top title contender in November after destroying Donovan Razor Ruddock in London.

Bowe won the crown less than two weeks later by beating the lion-hearted Evander Holyfield in what was widely considered the fight of the year.

But the Bowe and Lewis camps could not agree terms for what seemed an obvious showdown.

Elsewhere, Yuri Aravchakov became the first Russian to win a world professional title when he seized the WBC flyweight crown in June but, although Olympic fop Sergei Bubka broke his world pole vault record another three times, it

was not a vintage year for competitors from the old Eastern bloc.

The most glaring example was Katrin Krabbe, the cool blonde German sprinter with the world at her feet. Instead of winning races, she ended the year fighting a four-year suspension for use of the drug clenbuterol.

Drugs in sport were never far away, notably the case of U.S. 400-meter world record holder Butch Reynolds. He was banned for two years in 1990 after failing a drug test but was subsequently awarded \$7.3 million in damages against the International Amateur Athletic Federation by a court in Ohio.

If they had drug-tested Formula One motor racing cars in 1992, the Williams team would never have been out of the laboratory. Nigel Mansell won the first five races before clinching the world drivers' title in Hungary in August.

For Mansell, the first British driving champion for 16 years, it was the fulfillment of a dream that soon ended in tears when contractual wrangles led him to depart in a huff for the United States and the Indy car circuit.

Carlos Sainz of Spain claimed his second world rallying title in the final race of the season, in November, and Spain dominated the Tour de France cycling race as well. Miguel Indurain was first over the line in Paris for the second successive year.

Even more rapturously received, at least by the Catalan population, was Barcelona's European Cup soccer triumph over Sampdoria at Wembley. But the international team of the year was Denmark.

Summoned to the European Championship finals in Sweden to replace Yugoslavia, the Danes played with infectious style to beat Germany, 2-0, in the final, maintaining the holiday mood under the shrewd command of their manager, Richard Moeller Nielsen.

Diego Maradona's career splintered back to life in Sevilla, while England's Paul Gascoigne recovered from his serious knee injury to introduce Italians to his unique talents. The class team to watch, though, was still AC Milan, Europe's best club side in Europe over the past two decades.

It was a World Cup year in cricket, with Pakistan outplaying England in the final in Melbourne. That vivid occasion turned out to be Imran Khan's farewell as Pakistan's skipper, a fitting send-off for the revered "Lion of Lahore."

In rugby, Australia regained supremacy. David Campese providing the union spark and Mal Meninga the league muscle as the Kangaroos beat Britain in the World Cup final in October.

Yet for cricket and rugby union, the most intriguing southern hemisphere accents were South African. The republic's cricketers, under Kepler Wessels, returned to test cricket after 22 years with a tour of West Indies, while the Springboks



Chris Reynolds lost the ball to Butler's J.P. Frans but Indiana ran its mark to 10-1.

No. 2 Kansas: Shot Up, but Not Down

Second-ranked Kansas got quite a scare in Honolulu and it came from beyond the 3-point line.

The Jayhawks (8-0) beat Jackson State, 93-85, in the opening round of the Rainbow Classic, but Lindsey Hunter, a senior guard, scored 48 points and was 11 for 26 from 3-point range as well as 17 for 43 overall for the Tigers (3-6), who had upset No. 24 Tulane in their last outing.

"We didn't play that poorly," Kansas coach, Roy Williams, said with a sigh of relief. "We just had to try and outscore Lindsey Hunter and that's no knock against their team because they work in get him the ball."

They got it to him for those 43 shots and some were from far beyond the 3-point line. The Jayhawks had never before surrendered so many points to a player. Hunter just didn't have enough help.

His 3-pointer with 1:50 left closed the Tigers to 83-77 and they made it 83-79 with 1:30 left with two of four free throws on a personal and technical foul against Kansas' Rex Walters. That was it, though. Hunter did hit two more 3-pointers, but 89-85 with 32 seconds left was as close as Jackson State could get.

No. 4 Indiana 90, Butler 48: Indiana (10-1) became the first top 25 team to reach double figures in victories by holding Butler to 30 percent shooting and forcing 21 turnovers in Indianapolis. All five Indiana starters scored in double figures as Calben Cheney, Damon Bailey and Matt Nover led the way with 17 points each. Alan Henderson got 14 points and a tournament-record 19 rebounds.

And This Is What They Said (Really)

It was a busy year in sports. Here is how some of those involved saw 1992:

OLYMPIC CLASS

"I used to live with three women until 5 A.M. Now I'm in training, it's five women till 3 A.M." — Italy's pride and joy, Alpine skier Alberto Tomba, on preparing for the Winter Games.

"By the time they took the bus from Brides-les-Bains to Albertville, they'd be too tired to shoot." — U.S. skater Christopher Bowman on the possibility of a terrorist attack in the French Alps.

"We have no word for downhill in Senegalese because we have no mountains. I was so afraid I almost threw up." — Senegalese downhill skier Lamine Gueye.

"You start out as a raging bull and then turn into Tinkerbell." — U.S. football star Herschel Walker on life as a bostled brakeman.

"He hit me. I hit him. You wouldn't understand. It's a ghetto thing." — Charles Barkley of U.S. basketball "Dream Team" after elbowing an Angolan opponent.

"I'm lucky if my auntie recognizes me." — British oarsman Matthew Pinsent, convinced a gold medal will not change his life.

"The last few weeks have been tough. To train properly, I have had to give up drinking and karate." — Ryehei Koba of Japan after winning a rifle shooting bronze medal.

"I slept not a wink. There's people snoring in seven languages." — An Irish journalist on cramped conditions in the press village.

WINNERS

"He may be an awkward character off the circuit, but only God could have given that talent... in a racing car, he's Superman." — Team boss Frank Williams on Formula One champion Nigel Mansell.

"I've nothing against letting wives into the team camp. Love is good for footballers as long as it is

not at halftime." — Richard Moeller Nielsen, manager of European soccer champion Denmark.

"The English keep coming up and asking if they are free." — Swedish condom-seller Mattias Borg at the European soccer championship finals.

"If I felt any better it would probably be illegal." — Zimbabwean golfer Tony Johnstone after winning the PGA championship.

"Sometimes I feel like Red Adair. People only call me when things get out of control." — Much-traveled English soccer manager Malcolm Allison after his arrival at Bristol Rovers.

"I'm pleased for him — but it's like watching your mother-in-law drive off the cliff in your new car." — Tottenham Hotspur soccer chief Terry Venables on Paul Gascoigne's transfer to Lazio.

LOSERS

"Once again we got a good kick up the backside. Maybe it's the shot in the arm we needed." — Australian cricket captain Allan Border on the nine-wicket loss to South Africa in the World Cup.

"Nobody knew what he said but we thought it sounded bad so we fined him." — An ATP spokesman on Croatian-speaking tennis player Goran Ivanisevic.

"She won't be allowed in the members' dressed like that." — An Australian radio commentator as a female streaker ran across the Sydney Cricket Ground during the World Cup semifinal.

"I considered beating the living daylight out of it but it's probably got a wife and some snakelets so I let it go." — British golfer David Feherty after being bitten by an adder at Wentworth.

"I think I made my first excursion into a dark hole today and believe me, it was scary." — Jimmy Connors in Paris reflecting on the twilight of his tennis career.

"I feel I have been betrayed by young brats." — French rugby

union coach Pierre Berbizier after his team lost to Argentina.

"I may have exaggerated a bit when I said that 80 percent of the top women players are fat pigs. It's only 75 percent." — Dutch tennis player Richard Krajicek.

"The guy decided to do a Fred Astaire on my head." — England rugby union lock Martin Bayfield after French prop Gregoire Lascube was sent off for stamping on him.

"He's never going to be a great player on grass. The only time he ever comes in is to shake your hand." — Goran Ivanisevic on Ivan Lendl.

"It wouldn't make the Derby trip in a taxi." — English trainer John Gosden on his colt Beggarman Thief.

WEIRD AND WONDERFUL

"I swear on my wife. I've never noticed that riding a bicycle could make me impatient." — Giro D'Italia winner Franco Chioccioli on a Norwegian report about bike saddles affecting riders' sex lives.

"I'll take a two-stroke penalty but I'll be damned if I'm going to play the ball where it lies." — Golfer Elaine Johnson after her tee shot hit a tree and bounced into her bra.

"These are special shoes I had made up for him. The next size up from that is luggage." — Tennis agent Cino Marchese on fast-growing Ukrainian youngster Andrei Medvedev.

"His driving is unbelievable. I don't go that far on my holidays." — Golfer fan Baker-Finch on John Daly.

"The only time he opens his mouth is to change feet." — David Feherty on fellow golfer Nick Faldo.

"A typical fan is a guy who sits on the 40-yard line, criticizes the coaches and the players and has all the answers. Then he leaves the stadium and can't find his car." — University of Miami football coach Dennis Erickson.

bounced back onto rugby's official world stage against New Zealand in August.

Both judging by the decision to play the white anthem Die Stem before the All Black test, both officials and players found old habits hard to break.

South Africa was also the scene of one of the year's most costly mistakes when Nick Faldo was disqualified from golf's Million Dollar Classic at Sun City for a scorecard error.

Faldo had already been hailed as golfer of the year after a nerve-shredding triumph in the British Open at Muirfield, but his Sun City experience neatly underlined how incestuous the relationship between money and sport has become.

Sport, by rights, should scarcely rate a mention alongside famine,

war and natural disaster, yet basketball's Michael Jordan, Mansell, Agassi and Lewis attract salaries and endorsements that would bail out whole governments in other parts of the globe.

When Germany's Michael Stich earned \$2 million for winning a mere tennis tournament, the Grand Slam Cup, it again prompted questions about where sport is heading. The current answer seems to be

the law courts, where the Reynolds case has stirred issues far beyond athletics.

But dragging sport into court obscures the basic truth: That sponsors, managers and promoters are nowhere without genuine sporting characters.

McEnroe is the perfect case. Rude? Sure. The most gifted tennis player of all time? Arguably. Easy to replace? You cannot be serious.

Postcard Highlights From Datelines Near and Far

By George Vecsey
New York Times Service

NEW YORK — When I was a news reporter in Kentucky, I schemed to find stories from exotic datelines like Pippa Passes or Greasy Creek or Dwarf. Alas, I never did get out to the Illinois border to justify an article from Monkeys Eyebrow.

Since they don't play the Super Bowl in Rowdy or Fisty or Cutshin, Kentucky, although, goodness knows, they should — a sports columnist usually takes the datelines in the big cities, with their megahotels and humongodomes. And at the end of the year, I send postcards from wherever the action was.

MIAMI, Jan. 1 — Miami wins the Orange Bowl, Washington wins the Rose Bowl, both of them are 12-0 and share the various championships. I remain convinced that if they played for the national title, the resourceful Miami Hurricanes would find a way to win, by a missed field goal, or a safety, or whatever it takes.

MINNEAPOLIS, Jan. 26 — Thurman Thomas complains all week that he gets no respect. Then he loses his helmet for the first play from scrimmage in the Super Bowl, and the Buffalo Bills consequently lose their heads to Washington.

ORLANDO, Florida, Feb. 9 — Teased to shoot by Isiah Thomas, Magic Johnson fires off an awkward 3-point goal with 14.5 seconds left, and his admiring colleagues walk off the court in tribute. Nuff said. Magic scores 25 points, takes nine rebounds, and shows the world that somebody with HIV can perform at his best.

BOCA RATON, Florida, Feb. 15 — Seen on the tube, the Winter Games seem disjointed, 16 days in electronic jet lag. Why is figure skating the big ticket of the Games?

PHILADELPHIA, March 28 — Christian Laettner loses some respect as a person by stepping on a fallen opponent, but he gains respect as a player by sinking a basket with a last-second turnaround shot. In the best game of the college

basketball season, Duke beats Kentucky, 104-103, and will then win the title in Minneapolis.

NEW YORK, April 8 — I walk into my office and spot a stricken colleague, on the verge of tears. "I just heard about Arthur," she says. It is very hard for a lot of us to accept that a national treasure like Arthur Ashe should be imperiled by AIDS from transfusions for his open-heart surgery.

CHICAGO, June 3 — Never have I seen eight reporters giving high-fives at court-side, but that's what happens as Michael Jordan throws in six 3-point shots in the first half against Portland in the NBA finals. The spontaneous daring and artistry of his rare long shots turn impartial journalists into momentary fans.

BADAJOS, Spain, June 26 — Out by the Portuguese border, wearing their Grateful Dead tie-dyed warmups, the Lithuanian subs cheer as the regulars stay in the game to clobber their old pals from what is now called the Commonwealth of Independent States by 37 points. Both advance in the Olympic qualifying tournament.

WIMBLEDON, England, July 4 — After two weeks of Wimbledon officials fretting about athletes grunting, Monica Seles reduces her volume and her intensity, losing to Steffi Graf, 6-2, 6-1, in the final. A classic victory for British stiffness.

WIMBLEDON, England, July 5 — A disciplined Andre Agassi survives hard-servicing Goran Ivanisevic for his first Grand Slam title, and humbly says he probably should not have ducked the grass surface in the past.

BARCELONA, July 30 — The young sailor on the Spanish yachting team nods his head. Yes, he will grant his first interview of these Games, but only if his two crew members are also present. Long after his actual remarks are forgotten, I will remember the poise and modesty of Don Juan Felipe de Bourbon and Greece, the next king of Spain.

BADALONA, Spain, Aug. 8 — While Magic Johnson and his teammates blow kisses from the gold-medal stand, the players from Croatia and Lithuania are celebrating their

silver and bronze medals, thrilled to finally represent their nations.

BARCELONA, Aug. 9 — The greatest winner of the 1992 Summer Games has been the revived Catalan city itself, with the hull of Montjuic sparkling at night and the Gothic Quarter pulsing with life. The beauty and history of Barcelona has sent cold shivers into Atlanta, which somehow managed to procure the 1996 Games.

NEW YORK, Sept. 13 — After the crowd praised Jimmy Connors for turning 40, and New Yorkers showed affection for Ivan Lendl, and Barbara Streisand sensed huberto undiscovered "Zen master" qualities in Andre Agassi, Monica Seles and Stefan Edberg capture the U.S. Open.

ATLANTA, Oct. 14 — Some people will remember Francisco Cabrera's pinch hit. Others will remember Sid Bream's milk-horse rumble home. Millions of others will remember Andy Van Slyke slumped to the earth in center field, stunned by the Braves' three-run rally in the bottom of the ninth to win the pennant, 3-2.

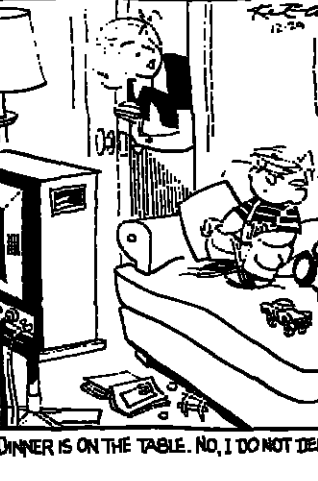
ATLANTA, Oct. 24 — With both teams running low on players, Dave Winfield exorcises his slump of 1981 by lashing a two-run double. Canada wins its first World Series and Cito Gaston becomes the first black manager to win a World Series as the Blue Jays beat the Braves, 4-3.

NEW YORK, Nov. 1 — Accompanied by his friend, a runner named Grete Waitz, Fred Lebow defies brain cancer by completing the marathon in 3:32:34. The two embrace at the finish line in one of the most compelling moments I have ever seen at a sports event.

BROOKLYN, New York Nov. 24 — Riddick Bowe returns to his old neighborhood, displaying his heavyweight championship boxing belts, and promising not to forget his hometown.

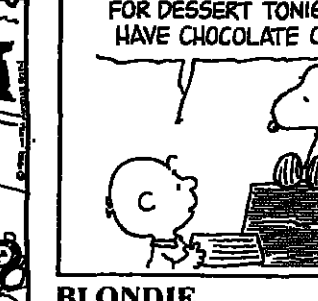
NEW YORK, Dec. 10 — Some lemming-like owners spend millions of dollars in the face of deepening troubles for baseball. If there is no 1993 baseball season, I promise to find a sports column in Monkeys Eyebrow. In the meantime, my best wishes for a happy new year.

DENNIS THE MENACE



DINNER IS ON THE TABLE, NO, I DO NOT DELIVER!

PEANUTS



FOR DESSERT TONIGHT WE HAVE CHOCOLATE CAKE...

BLONDIE



WHAT WAS THAT? IT'S BLONDIE WITH HIS NEW CHRISTMAS CAKE

BEEBLE BAILEY



SARGE, I HAVE GOOD NEWS AND BAD NEWS, WHICH DO YOU WANT TO HEAR FIRST?

DOONESBURY



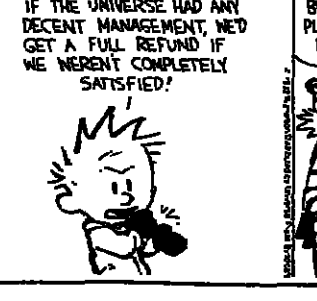
DOON LET'S CHECK OUT ANOTHER READER LETTER FROM THE 27 YEAR OLD 'DEAR GUY'S' JOHN BULL. THE NEW NORTH AMERICAN TRADE AGREEMENT AFFECTS YOU!

WIZARD OF ID



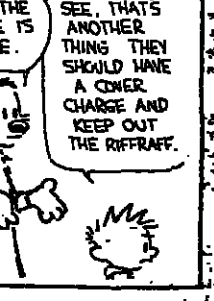
COULD YOU FILL THAT PRESCRIPTION, WIZ?

REX MORGAN



I TOLD BO WE NEEDED NEW TIRES FOR THIS CAR!

GARFIELD



TONIGHT I'LL BE WATCHING THE NEWS!

JUMBLE THE SCRAMBLED WORD GAME

Unscramble these four Jumble words to form a 4-letter word, a 3-letter word, a 5-letter word, and a 6-letter word.

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UNBEAT _____

GANDIL _____

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ART BUCHWALD

Buy Access? Not Us

WASHINGTON — They held a Democratic fund-raiser in Washington the other night. For as little as \$15000 a table you could eat in the same ball as President-elect and Mrs. Clinton.

Democratic bigwigs insisted that those who came to the affair were not trying to buy access to the new president and his administration but were investing in a movement to change America for the better. That's why so many Republican lobbyists attended.

"Why do Washingtonians turn up for political fund-raisers?" I asked some influence-peddlers.

One man replied, "The only reason we come is because our wives hate to cook."

Another lobbyist said, "These dinners are a good buy. For \$1,500 per person you get soup, a fish course, a good slice of roast beef and a vegetable, plus a salad and baked Alaska for dessert. I defy you to find a meal at that price anywhere else in Washington, except at Scholl's Cafeteria."

I asked Pat Kilroy, a female lobbyist, why she was there. "No woman lobbyist can get into the locker room at the Burning Tree Country Club, so we come here for our male bonding," she told me.

Everyone I talked to denied that he or she had bought a table to get in good with the president and his people.

Record Price for Scotch Shot in Arm for Charity

EDINBURGH — An Italian has paid a record sum for a bottle of 50-year-old malt whisky that can be bought in Britain for a fraction of the price. The anonymous buyer paid \$9,999,999 lire (\$70,126) at a Milan charity auction for a bottle of 1942 Glenfiddich.

The Scotsman's whisky writer, Jim Murray, said a bottle could be obtained from a London whisky specialist for £3,500 (\$5,355).

One anti-environment lobbyist explained, "We would never do such a dumb thing. Democrats don't respect you if you buy tickets to their affairs in hopes of persuading them to support your cause. I'm here because I'm Al Gore's biggest fan, and I'll go anywhere if I know he'll be at the dinner."

I asked another lobbyist if he was buying any tickets for Republican fund-raisers recently.

"No," he admitted. "That's because the quality of the food has been falling off lately, and I find the service appalling. If you can't get a good fresh piece of chicken at a fund-raiser, then there's no reason to attend."

"What do people who come to \$15,000-a-table dinners talk about?" I wanted to know.

A lobbyist for the meatpackers of America said, "We talk about the same things that most Americans talk about around the holidays — tax reform, unfair industry regulations, tariffs on Japanese and French imports, and why we still need a strong military-industrial complex."

"I assume that there's no attempt to bring up any political problems that your clients may be experiencing."

"That would be very gauche. After all, when you dine in a man's house you're there to enjoy yourself and have a good time. The only thing you might do is jump up between the meat and the dessert course and shake hands with the president and say, 'Joe Flounder, Wallpaper Knowers Association.' So at least he knows you bought a table," a veteran lobbyist said.

I decided to pose another question to the group. "What about the people who can't afford \$15,000 for a table?"

A fund-raiser chairman assured me that their voices would be respected the same as those supping inside.

"We have set aside sidewalk space in front of the White House and the Capitol for people who have a message. They'll need to shout it, but they will be heard."

"Will lobbyists have as much influence under the Democrats as they did under the Republicans?" "Why not? We're all family."

Miranda Richardson Defies Typecasters

By Michael Specter
New York Times Service

NEW YORK — After years of resistance, Miranda Richardson has graciously agreed to become a movie star.

She hates crowds, photographers and interviews. She is not particularly fond, either, of having to talk her way across America — to plug her new movies, "Damage" and "The Crying Game."

She refuses to discuss her personal life ("that's why they call it personal"), and she thinks prattling on about her craft diminishes it.

But stardom has its demands, and acting isn't always among them. This makes her crazy, because the 34-year-old Richardson is an actress with a capital A, a high-minded Brit from the "Masterpiece Theater" school, where art matters and the commerce attached to it is a necessary vulgarity.

She had her first burst of glory in the United States seven years ago, with her film debut in "Dance With a Stranger." She played Ruth Ellis, a dead-end female in stiletto heels and blood-red lipstick who murdered her boyfriend in 1955, bleached her hair before walking into the courtroom and became the last woman hanged in Britain.

The movie was a success, and Richardson was praised lavishly by American critics. Then she disappeared.

"If you don't work in America, Americans think you are dead," she said, laughing a little derisively at the notion that if you don't appear in a Hollywood movie you aren't acting.

"In fact, it's the other way around, don't you think? Anyway, I worked a lot after 'Dance,' but I also needed to rest. It was my first film, and I wasn't ready for the response. And I got some scripts that I would rather not have read, let alone work with."

But she has surfaced in the United States again this year, displaying her range and talent with three compelling — and pointedly diverse — film performances: as the dowdy, upright, but disconnected Rose in "Enchanted April," Mike Newell's wry examination of four English women vacationing in Italy in the 1920s; as Ingrid, the stolid middle-aged wife of a member of Parliament whose unique obsession destroys him and his family in Louis Malle's explosive film "Damage"; and as Jude, the fiery IRA regular who changes identities with dizzying regularity in Neil Jordan's "Crying Game."

The three portrayals prompted the New York Film Critics' Circle to vote Richardson best supporting actress of 1992.

"The biggest sin in my business is having a label," Richardson said during a recent interview. "And I will do anything I can to keep a director from being able to say, 'Oh, yeah, she's the tart killer type, or the society matron type.' I want them to say, 'Oh, yeah, she can play anything.'"



Richardson as an IRA member in "The Crying Game," left; as Rose in "Enchanted April," top right, and in "Damage."

Southport, just north of Liverpool, has given way to an almost obsessive need to cycle through as many types of acting experiences as she can perform.

Asked whether she finds film, television or theater the most enticing medium, she answers quickly: "None of the above, really. The most dangerous medium is radio, because you are asked to use your brain."

And for Richardson, who appears smaller, softer yet more remote in person than on film, danger is obviously an experience worth pursuing. "You never want to do the same thing too often," she says, noting that she is obsessed with the struggle to be original.

"If you are not original, then you aren't acting." But acute originality presents dilemmas. Directors don't want troublemakers, and, as she readily observes, there aren't all that many interesting parts out there.

She should know. After rejecting a dozen of the action-adventure roles that were sent to her after her success at playing a killer in "Dance With a Stranger," Richardson appeared in Steven Spielberg's "Empire of the Sun," in which she portrayed a British prisoner of war in Japanese-occupied Shanghai during World War II.

The 1987 movie was noted more for its Spielbergian pyrotechnics than for the intensity of its characters, and Richardson's dislike of American films deepened.

That's why she has decided that stardom — and the power it brings — has its value.

"I took Neil seven years to scrape up enough money to make 'The Crying Game,'" she said, slowly shaking her head. "And it's so much more interesting and complex than the average film."

PEOPLE

Harry Connick Held For Concealing a Gun

Harry Connick Jr., 25, the Grammy-winning crooner who has brought back standards by George Gershwin and Hoagy Carmichael, was jailed on charges he tried to board a plane with a gun in his carry-on bag. He was arrested at New York's Kennedy Airport as he was about to fly to New Orleans. He was charged with possession of a weapon, which carries up to a year in jail and a \$1,000 fine, and held for arraignment.

The naming of the 80-year-old North Korean leader Kim Il Sung's son, Kim Jong Il, 50, as supreme commander of the armed forces has created a bull market in North Korean art. Since his appointment, a year ago, more than 1,400 poems, 20 novels, more than 200 songs and scores of art works, television series and essays have been created to praise him, the Korean Central News Agency reported. Kim Jong Il is considered the heir to his father, but it is not yet official.

The office of Prime Minister John Major denied a report that he will ask Parliament to change the law so that Prince Charles can remain in the Church of England if he divorces Princess Diana. A London newspaper said that Major sympathized with a desire by Queen Elizabeth I to jump an ancient act that prevents the Archbishop of Canterbury, spiritual head of the Church of England, from issuing a marriage license to any divorced royals. "There is an indication that the prime minister has considered this," his office said. "Anyway, since the Prince and Princess of Wales have said there are no plans for divorce the matter does not arise."

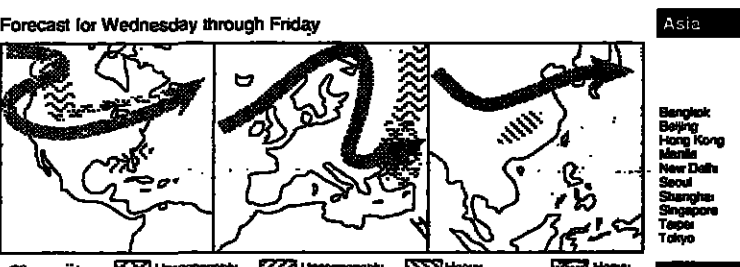
Michael Jackson bought an 80-foot wall in Los Angeles and reportedly plans to have a mural of himself painted. The Hollywood Arts Council says the pop superstar plans to have himself immortalized on the wall of the El Capitan Theater.

INTERNATIONAL CLASSIFIED

Appears on Pages 6 & 13

WEATHER

Table with weather forecasts for Europe, North America, Middle East, and Oceania. Columns include location, today's high/low, and tomorrow's high/low.



Forecast for Wednesday through Friday. A storm will deliver snow, rain or ice from Chicago to Toronto Thursday and rain to the northeastern states late Thursday into Friday.

Table with weather forecasts for Asia and Africa. Columns include location, today's high/low, and tomorrow's high/low.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to the puzzle of Dec. 28.

BRIDGE

ACROSS THE TOP OF THE WORLD: To the North Pole by Sled, Balloon, Airplane and Nuclear Icebreaker

By David Fisher. 256 pages. \$25. Random House.

Reviewed by Jonathan Yardley

TO Robert E. Peary it was "the lure of the north." He called it "a strange and powerful thing" one that even amid "the comforts of civilization and the peace and serenity of home" would provoke "the old restless feeling." Soon enough "I began to long for the great white desolation, the battles with the ice and the gales, the long, long arctic night, the long, long

arctic day, the handful of odd but faithful Eskimos who had been my friends for years, the silence, the vastness of the great, white lonely North. And back I went. It is a lure that, in the minds and hearts of many, remains undiminished even in an age when technology has made the arctic almost routinely accessible. The North Pole retains immense mythic and symbolic power: the place at the top of the world, the chimera for which scores of men have lost their lives, the land of endless ice and unbearable cold. Its lure is so strong that it has now become a stop on the itinerary of what David Fisher calls "a whole travel industry, small compared to those that offer the usual cruises to Bermuda, the Bahamas or Hawaii, but still larger than I had expected, specializing in trips to out-of-the-way places."

Jonathan Yardley is on the staff of The Washington Post.

By Robert Byrne

IN the game between Vladimir Dimitrov of Bulgaria and the Yugoslav grandmaster Bosko Abramovic in the Euroinvest Bank International Tournament in Tripoli, Abramovic ducked when he should have slugged. In the accelerated Dragon Sicilian with an immediate 4...g6 in place of the mainline Dragon 2...d6 3...d4 4...Nd4 Nf6 5...Nc6 g6, Black allows the Maroczy bind with 6...c4 and thereby avoids early attacks on his king; the tradeoff is that White keeps a grip on center space that can give the opponent a lifeless pawn position. Abramovic exchanged knights with 10...Nd4 11...Bd4 and offered the exchange of bishops with 13...Nd7, normal procedure to reduce the effect of a cramped position. Naturally, Dimitrov denied

him the second exchange by patiently retreating with 14...Be3.

After 14...Nc5, it would be difficult for White to plan a kingside attack since f4 is impossible to arrange. Dimitrov therefore worked on the queen's wing where he could wear away the obstacles. Thus, after 15...Rab1 Qb6 16...Rc1 Rcb1 17...Re2, he could not long be delayed by 17...Qb4 because 18...Qc1 and 19...a3 breaks the blockade. Moreover, after 17...Qd8 18...a3, Abramovic could not establish an outpost with 18...a4 19...b4 Nb3 because 20...Qd1, Black is vulnerable to the threat of 21...Bb7 22...Na4! Ra4 23...Rb3. On 18...b6 19...b4 ab 20...ab Na4, Dimitrov kept to his strategy of sustaining complexity by avoiding a knight exchange with 21...Nd5. And, Abramovic, anticipating

pressure from 22...Bg5, loosened his solid pawn position to drive back the intrusive knight with 21...e6 22...Nf4.

It was not long before Dimitrov went after the weakened d6 pawn with 25...Rd3 His alternative, 25...Qb8, might also have been sufficient had he courageously played, after 26...Ne2, 26...b5! for example, 27...Nc4 Bb4! 28...Rd4 e5 29...cd 30...Bd4 Bb5! 31...Qd5 Bf1 32...Qf6 Kf8 33...Kf1 Ke8 34...e5 35...Re2 Qb5! 36...Kf2 Qe7! 37...Ke2 ed would win for Black. Instead, he became timid and retreated with 26...Be8, yet after 27...Bg5, he refused to try one of the ugly, though necessary defenses, 27...f6 or 27...Rd7. His choice, 27...Rc8, lost a pawn after 28...Be7! 29...Nc5! 30...Qd5! 31...Nc6! 32...Qd5! 33...Nc5! 34...Qd5! 35...Nc6! 36...Qd5! 37...Nc5! 38...Qd5! 39...Nc6! 40...Qd5! 41...Nc5! 42...Qd5! 43...Nc6! 44...Qd5! 45...Nc5! 46...Qd5! 47...Nc6! 48...Qd5! 49...Nc5! 50...Qd5! 51...Nc6! 52...Qd5! 53...Nc5! 54...Qd5! 55...Nc6! 56...Qd5! 57...Nc5! 58...Qd5! 59...Nc6! 60...Qd5! 61...Nc5! 62...Qd5! 63...Nc6! 64...Qd5! 65...Nc5! 66...Qd5! 67...Nc6! 68...Qd5! 69...Nc5! 70...Qd5! 71...Nc6! 72...Qd5! 73...Nc5! 74...Qd5! 75...Nc6! 76...Qd5! 77...Nc5! 78...Qd5! 79...Nc6! 80...Qd5! 81...Nc5! 82...Qd5! 83...Nc6! 84...Qd5! 85...Nc5! 86...Qd5! 87...Nc6! 88...Qd5! 89...Nc5! 90...Qd5! 91...Nc6! 92...Qd5! 93...Nc5! 94...Qd5! 95...Nc6! 96...Qd5! 97...Nc5! 98...Qd5! 99...Nc6! 100...Qd5! 101...Nc5! 102...Qd5! 103...Nc6! 104...Qd5! 105...Nc5! 106...Qd5! 107...Nc6! 108...Qd5! 109...Nc5! 110...Qd5! 111...Nc6! 112...Qd5! 113...Nc5! 114...Qd5! 115...Nc6! 116...Qd5! 117...Nc5! 118...Qd5! 119...Nc6! 120...Qd5! 121...Nc5! 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